

INTERNATIONAL

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## Riot Police Fight Demonstrators In Polish Cities

By John Danton  
New York Times Service

WARSAW — With truncheons, water cannons, flares and tear gas, riot police battled demonstrators in Warsaw and other cities Monday as protests against the martial law government increased.

The violence began in Warsaw shortly after 4 p.m. when a crowd of about 10,000 assembled in Castle Square in the Old Town area and chanting slogans in support of the suspended labor union Solidarity, tried to march to Victory Square four blocks away.

The police, carrying shields and swinging truncheons, charged the crowd. The crowd retreated into the narrow, cobbled streets and, breaking into knots of several thousand, engaged in hit-and-run clashes with the police that continued as night fell.

Flares Are Fired

Groups broke away to carry the demonstration to other parts of the city, including Warsaw University, Denzinski Square and the main central thoroughfares of Marsalkowska and Jerozolska, where a heavily equipped squadron of riot police fired flares to protect the Communist Party Central Committee building.

By evening, as clouds of tear gas hung over the city, helicopters hovered overhead and ambulances screamed down major streets, Warsaw seemed to be a besieged city. In many places the red flags of the Communist Party, put up for Saturday's May Day celebration, were ripped down and thrown into gutters.

The number of injured was not immediately known. Journalists saw scores of persons beaten by police and one or two struck by flares fired from close range. An ambulance driver said three hours after the clashes began that he knew of four injuries severe enough to require hospitalization.

State television said in an early broadcast that the authorities were considering reimposing a curfew. A nationwide curfew that had been imposed when martial law was declared last Dec. 13 was lifted Sunday night because of what the government said was a growing climate of law and order.

Warsaw television said riots continued into the night in Gdansk and other cities. Solidarity sources said earlier that demonstrations were planned in Gdansk, the birthplace of the independent union, where there had been several days of violent protests in late December.

As blue-uniformed riot police with heavy plastic shields fanned out in several directions from Victory Square to disperse the protesters, telephone lines in many parts of the town were cut off. A similar communications blackout was imposed the night that martial law was declared.

Monday's demonstrations were called by opponents of the government to commemorate the 191st anniversary of the Polish constitution of 1791, which has for years been a special occasion for the unofficial opposition. The date had been ignored by the Communist regime until last year, when, under liberalization pressures from Solidarity, government officials observed it with wreath-laying ceremonies.

This year, Gen. Wojciech Jaruzelski, the military and party leader, presided over a brief flag-raising ceremony Monday morning, standing in the exact spot where police charged demonstrators five hours later.

Police had made a show of force earlier Monday in Warsaw after warning that they had been told by authorities to "counteract" unauthorized demonstrations.

On Saturday, a crowd estimated at 50,000 attended Solidarity's countermarch to the Communist Party May Day observance, and there were also demonstrations in Gdansk. Officials made no attempt to disrupt them.



Francis Pym, the British foreign secretary, at a news conference Monday at the United Nations on the Falklands crisis.

## U.S. Willing to Accept October Summit Talks

United Press International

WASHINGTON — President Reagan will accept an invitation from Soviet President Leonid I. Brezhnev for a summit meeting in October aimed at breaking the stalemate on nuclear arms control, White House officials said Monday.

Mr. Reagan said earlier this year that he hoped Mr. Brezhnev would meet him in mid-June at the United Nations, where Mr. Reagan is to deliver a major address on disarmament. But on April 17, Mr. Brezhnev called instead for an October meeting.

The Washington Post, in a report confirmed later by White House officials, said that Mr. Reagan was now agreeable to meeting with Mr. Brezhnev in October. The Post said U.S. officials had discussed the invitation with Soviet Ambassador Anatoli D. Dobrynin, and added that Austria and Ireland are the two most likely sites for the talks.

Larry M. Speakes, the deputy White House press secretary, later told reporters, "As the president has said for a long time, he will consider a summit meeting with Brezhnev to be held at an appropriate time. Such meetings should be well-prepared and hold reasonable prospects for positive results."

Mr. Speakes' statement did not acknowledge acceptance of Mr. Brezhnev's summit proposal, but officials indicated the wording was not intended to deny the earlier report.

The pressure on Mr. Reagan to participate in a summit has mounted with the expanding debate on the possibility of a nuclear war and calls for a nuclear weapons freeze.

U.S. officials have indicated that Mr. Reagan might deliver a major foreign policy address this month. Some observers expect him to make an affirmative statement on arms reduction before his trip to Europe starting June 2.

During his trip, which will take him to Paris, Rome, London, Bonn and Berlin, Mr. Reagan is expected to face large anti-nuclear and anti-American demonstrations.

In Hamburg, the newspaper Die Welt said in a dispatch from Washington that Mr. Reagan's advisers are considering a meeting between Mr. Reagan and Mr. Brezhnev during the European tour, perhaps in Berlin on June 11 or 12.



Members of the Polish militia watched Solidarity's May Day demonstration in central Warsaw.

## North Atlantic Air Fare Structure Set by U.S. and 10 Other Nations

By Agis Salpukas  
New York Times Service

NEW YORK — The United States and 10 European countries have agreed to establish a new fare structure for North Atlantic routes that allows airlines more freedom in raising or lowering plane fares.

The multilateral agreement, initiated Sunday in Washington by representatives of the countries, will be formally signed later. It guarantees governmental approval of fare changes within certain agreed-upon zones, effective July 1.

The agreement puts into the marketplace a much more competitive structure with not nearly as much government involvement, said Daniel M. Trent, deputy secretary of transportation, who headed the U.S. delegation at the talks.

The agreement also will make it possible for major carriers in the North Atlantic to fix fares through the International Air Transport Association, an industry group that in the past acted much like a cartel to control fares.

The 11 governments have agreed on one reference air fare that will largely reflect current fare levels.

Under the accord, unrestricted coach fares may fluctuate up or down in a range from 20 percent below the reference fare to 20 percent above it. Business class fares must be at least 20 percent above the reference fare and may go as high as 50 percent above it. And discount fares may generally drop as much as 40 percent below the reference fare and in some cases may go as low as 50 percent below it.

Aviation officials of European countries sought the agreement because they wanted to end some of the fare wars that they believe contributed to combined losses of more than \$500 million on the North Atlantic routes last year and to allow airlines once again to set fares through IATA.

In return, U.S. government agencies such as the Civil Aeronautics Board, which has tried to increase competition on North Atlantic flights, gained some flexibility in pricing, which the CAB considers the key to enable new carriers to enter overseas markets.

Participants in the negotiations and spokesmen for some airlines said it was hard to predict what effect the agreement would have on present fares.

Ron Scobling, a spokesman for British Airways, said that airlines would be able to put through fare changes much faster under Sunday's agreement, because if fares stay within the prescribed limits they will automatically be approved by aviation authorities of the various governments.

Fare changes now must be approved by the various aviation agencies of each government.

Mr. Scobling predicted that, as a result of the agreement, most carriers probably would impose smaller fare increases more often.

The countries initiating the fare zone structure were Belgium, Britain, West Germany, Greece, Ireland, Italy, the Netherlands, Spain, Yugoslavia and the United States. Mr. Trent said the representative from Portugal had agreed to the pact and would initial it later.

## British Sub Torpedoes Cruiser; Argentina 'Presumes' It Is Sunk

### QE2 Drafted For Use as Troop Carrier

From Agency Dispatches

LONDON — As naval warfare around the Falkland Islands intensified, the British government said Monday that it would send an infantry brigade of about 3,000 men to the South Atlantic, raising to about 8,000 the number of troops committed to the recovery of the islands from Argentina.

To transport the brigade, the government is requisitioning the Queen Elizabeth 2 luxury liner, the last transatlantic passenger ship, throwing into havoc the vacation plans of thousands of tourists. The announcement brought back memories of World War II when the QE2's regal predecessors, the Queen Elizabeth and the Queen Mary, transported tens of thousands of U.S. troops to Britain for the war effort.

In the space of a few hours Monday morning, the Defense Ministry announced that a nuclear submarine had torpedoed Argentina's second largest warship, the cruiser General Belgrano, and that the submarine sank a patrol boat and damaged another without any British losses. The General Belgrano, known as the USS Phoenix before being sold to Argentina in 1951, was a survivor of Japanese attack on Pearl Harbor in 1941.

The ministry did not provide any information on casualties in either attack.

Ian MacDonald, a ministry spokesman, said that the cruiser was operating Sunday evening south of the Falklands outside the 200-mile (320-kilometer) total exclusion zone and "presented a significant threat to our ships in the area of the Falkland Islands."

Aside from the blockade area enforced since Friday, Britain has proclaimed a "bubble" around the task force and has warned that any Argentine vessels in the vicinity of the ships "would encounter an appropriate response."

The patrol boats, believed to be converted tugs, were attacked north of East Falkland, 90 miles inside the zone, after they fired on a Sea King helicopter.

Mr. MacDonald said that the helicopter was shot down by a missile from a destroyer or frigate in the task force "then engaged the ships with missiles," he said, sinking one and damaging the other.

The helicopter returned safely and later lifesaving equipment was dropped close to the damaged vessel, he said. There was no information on survivors from the sunken ship which may have carried as many as 28 sailors.

A spokesman said that the attack on the General Belgrano was in accordance with orders given to Rear Adm. John F. Woodward, the task force commander, based on the right of self-defense under Article 51 of the United Nations Charter.

"Fired to Sink"

Asked whether it was intended to sink the Argentine cruiser or cripple it, the spokesman said: "My understanding is that if a shot is fired, the shot is fired to sink."

Beside the cruiser, Argentina's navy has one aircraft carrier, seven destroyers, seven frigates, four submarines (one of them knocked out in an earlier British assault on South Georgia), nine patrol craft, two fast gunboats and two torpedo boats, according to the latest edition of the reference book Jane's Fighting Ships.

Monday's announcement that the QE2 was to be used as a troop carrier (Continued on Page 2, Col. 3)



Ian MacDonald, a British Defense Ministry spokesman, as he announced Monday that the liner Queen Elizabeth 2 had been requisitioned to transport an infantry brigade to the Falklands.

## Pym Asserts Fighting Could Lead to Talks

From Agency Dispatches

UNITED NATIONS, N.Y. — Foreign Secretary Francis Pym of Britain said Monday that when Britain succeeded in the Falkland Islands crisis — and he emphasized that "we intend to succeed" — the world would be a safer place.

At a news conference after a meeting with United Nations officials, Mr. Pym said the issue was not "just a little argument down in the South Atlantic about a small group of islands with only a few people involved."

"We are talking here about the right of democracies, the right of people to choose the kind of life they want for themselves," he said. "That's why the British Navy has gone 8,000 miles."

Mr. Pym, who conferred Sunday night with Secretary-General Javier Perez de Cuellar, said: "When we succeed — and we intend to succeed, if possible by a negotiated settlement, but if not, by force — the world will be a safer place, because people will realize that there are fundamental rights which the free democracies of the world will stand up to defend."

Mr. Pym said the buildup of military pressure must have an effect and that he hoped the Argentine government would soon realize that it must withdraw from the Falklands and return to the negotiating table.

After returning to London later in the day, Mr. Pym repeatedly refused to reply when asked if he anticipated more attacks against Argentine forces.

Referring to British attacks on an Argentine cruiser and two patrol boats, Mr. Pym said in New York: "The choice is really theirs. We don't want to make any further attack on them or anything at the moment. We want them to withdraw."

Asked whether it was up to Argentina to make the first move, he said: "Basically, yes, it is. They started this war. They invaded the island unlawfully. And they have to go to that island."

In Washington, a State Department spokesman, Joseph Reap Jr., said that the United States had received a diplomatic note from Argentina. Mr. Reap declined to discuss the contents of the message, which was reported in Buenos Aires to blame the United States for "accelerating the confrontation with Great Britain."

According to reports in the Argentine capital, the note declared that the recent U.S. decision to support Britain "will leave deep marks in Argentine-American relations."

After conferring Sunday with Secretary of State Alexander M. Haig Jr., Mr. Pym said that while his government wanted U.S. logistical help, he had not come with any shopping list and had not made specific requests of Washington.

U.S. aid is said to be limited to supplies such as oil and spare parts, intelligence sharing and communications links.

The U.S. defense secretary, Casper W. Weinberger, said the British minister did not specifically ask for military aid. When asked if the United States was prepared to refuel British planes in midair, Mr. Weinberger said that no U.S. aircraft would be used for refueling a blockade. But he said the British could continue to use U.S. facilities on the island of Ascension.

President Reagan, who returned to Washington on Sunday from Knoxville, Tenn., was asked about the possibility that the Soviet Union would go to Argentina's aid. "That could get pretty messy," he said. "Let's just hope they don't."

Mr. Pym, responding to similar questions, said he thought the likelihood that the dispute would escalate into an East-West conflict was "extremely unlikely" and said that he believed there had been "no more than a minimal amount of contact" between Moscow and Buenos Aires.

Claims Are Reduced

The Argentine Joint Chiefs of Staff on Sunday night reduced their victory claims over British forces in the fighting, which began Saturday when British warplanes bombed the airstrip at Stanley, the Falklands capital.

The new report said two Sea Harrier fighter-bombers had been shot down and six more probably crashed in the sea. It said Argentine planes damaged three unidentified British frigates and hit "several" other vessels.

Argentina previously had said that its forces downed 11 British planes and two helicopters and had damaged four frigates, an aircraft carrier and "some destroyers."

The Argentines have admitted losing two Mirage-type Dagger fighters. The British have said that they downed two Argentine Mirage and one Canberra bomber, and damaged another Canberra.

Neither side has told of casualties among soldiers.

The conflict has sharpened rapidly since the weekend, when the British task force launched air raids against military targets on the Falklands.

LT. Gen. Leopoldo Galtieri, the Argentine president, conferred Sunday with his Cabinet and the two other members of the junta, the air force and navy chiefs, to discuss their next moves.

Gen. Galtieri said Argentina (Continued on Page 2, Col. 6)

### No Report On Fate of 1,000 Aboard

From Agency Dispatches

BUENOS AIRES — The Argentine military high command said Monday that the cruiser General Belgrano, Argentina's second largest warship, was presumed sunk after being torpedoed by a British submarine in the South Atlantic on Sunday.

The high command said earlier that the 13,645-ton ship had been hit by one torpedo outside the 200-mile (320-kilometer) blockade zone imposed by Britain around the Falkland Islands on Friday.

The British Defense Ministry said in London on Monday night that it had no confirmation of the Argentine report.

Argentine Report

An Argentine communiqué gave no word on the fate of the estimated 1,000 sailors aboard the warship, which was attacked by a nuclear-powered British submarine Sunday night.

It was the Argentine Navy's only cruiser.

The Argentine communiqué said: "The Joint Chiefs of Staff inform that as a result of the attack suffered by the cruiser General Belgrano at 55 degrees, 24 minutes south latitude, and 61 degrees 32 minutes west longitude, reported in Communiqué 15, indications exist to make us presume it sank."

Argentine naval sources refused comment on a British claim that helicopters sank one Argentine patrol boat and damaged another north of the islands.

A source said the Argentine Navy had sent ships "to provide help if necessary" to the General Belgrano, which was torpedoed near Isla de los Estados (Island of the States) off the tip of South America and outside the 200-mile war zone declared by Britain around the islands.

The cruiser is the largest ship in the Argentine Navy after the aircraft carrier 25th of May.

An Argentine government source who asked not to be identified also said the ruling junta rejected a new peace plan that Argentina claimed was proposed by Secretary of State Alexander M. Haig Jr.

### Sovereignty Issue

The peace proposal, sent via President Fernando Belaunde Terry of Peru, was rejected Monday by Argentina, which said it was similar to the Haig proposal presented April 27.

Argentine leaders objected to the earlier plan's failure to consider Argentina's insistence on sovereignty over the islands, which were seized from Britain on April 2 after 149 years of British administration.

The Argentine source said his government "would not be surprised if Haig tries again to repeat his proposal in the next few days via some other channel."

The source added: "Of course we will reject it again, and thus we will appear before world opinion as an intransigent, stubborn and warlike country."

In Washington, a State Department spokesman declined comment on Argentina's rejection of the plan, which called for a ceasefire and withdrawal of forces from the islands. Mr. Haig discussed it with Peru's president Sunday night before the Argentine rebuff.

## White House Reportedly Agrees To Sell Jets and Missiles to Jordan

The Associated Press

WASHINGTON — The Reagan administration has reached agreement with Jordan on the sale of F-16 fighter planes and Stinger anti-aircraft missiles, sources here said Monday.

The sale is to be submitted to Congress after the November congressional election, said the sources, who requested anonymity. Under the law, Congress can block the sale, which is certain to run into objections from supporters of Israel.

Bid for Linkage

The sources said that a U.S. delegation headed by Francis J. West Jr., assistant secretary of defense for international security affairs, arranged the sale late last week in Amman, the Jordanian capital.

But they said a Jordanian request for two squadrons of F-16 jet fighters and mobile Hawk missiles was turned down.

According to the sources, State Department officials wanted to tie the sale of the F-16s and Stinger missiles to participation by Jordan in negotiations between Israel and Egypt, but the Pentagon vetoed the recommendation.

Jordan has boycotted the peace treaty between the two countries and declined to participate in talks over autonomy for Palestinian Arabs living on the West Bank and in the Gaza Strip.

The sources said Jordan would be allowed to purchase 36 of the F-16s, which are produced by the Northrop Corp. The aircraft is considered to be substantially more effective than the F-5Es now in the Jordanian Air Force.

The Stinger is a shoulder-fired anti-aircraft missile designed for use by infantrymen.

Jordan wanted the mobile Hawk missiles for its air defenses. It now depends entirely on fixed-position Hawk missiles.

Weinberger Discussed Sale

Defense Secretary Casper W. Weinberger said on a visit in February to Amman that he had discussed with Jordanian officials the possibility of a sale of U.S. F-16 fighters and mobile Hawks.

His announcement touched off a storm of protest in Israel and prompted assurances from President Reagan that the United States remained committed to maintaining Israel's military superiority over its Arab neighbors.

When the subject came up again last month, Larry M. Speakes, the deputy White House press secretary, said that Jordan had "legitimate security needs" and that the United States had "a long-standing supply arrangement" with Jordan.

Mr. Speakes also reiterated that "any sales would be in the context of our firm commitment to Israel's security and our desire to advance peace in the region."

By denying Jordan's request for F-16s and mobile Hawk missiles, the administration may be able to soften congressional opposition to the sale. Sen. Edward M. Kennedy, a Massachusetts Democrat, and Sen. Larry Pressler, a South Dakota Republican, vowed after Mr. Weinberger's trip to fight any sale of those weapons to Jordan.

### INSIDE

#### The Iran Plot

Kazem Shariatmadari, 62, a religious leader accused of supporting a plot to overthrow Ayatollah Ruhollah Khomeini, has been arrested and asked for forgiveness, the Iranian news agency said. The agency did not say whether Ayatollah Khomeini agreed to grant a pardon. Page 4.

#### Amoco Cadiz

When the supertanker Amoco Cadiz sailed into disaster four years ago off the Brittany coast of France, it spawned the most expensive maritime litigation case in history. The outsized legal battle starts in Chicago. Page 4.

### TOMORROW

#### Saudi Arabia

A 12-page supplement on industrialization and development in Saudi Arabia will appear in tomorrow's IHT.



# 6 Soviet Spy Satellites Reportedly Watching South Atlantic Region

By Richard Halloran  
New York Times Service

WASHINGTON — The Soviet Union has placed six and possibly eight intelligence-gathering satellites over the South Atlantic to watch Argentine and British military movements, according to military analysts here.

The analysts said they presumed that some of the information from the satellites was being passed to the Argentine government. But they said they had no proof that the Soviet Union had been informing the Argentines.

A senior State Department official said Argentine leaders had told Secretary of State Alexander M. Haig Jr. that they would not accept such help from the Soviet Union. But the official said that policy might change in the future, which would mean a sharp shift in policy for the military junta.

The United States has two photographic satellites over the region, and Washington has been gathering whatever information it gets to the British, the analysts said.

Details of the Soviet and U.S. satellite operations appeared in Defense Daily, a newsletter published in Washington, and were confirmed, with some elaboration, by the analysts.

## Officials Disagree On Pop Culture, Pravda Reports

MOSCOW — A fierce debate is taking place at the Soviet Ministry of Culture over the growing influence of Western-style pop culture among young Russians, Pravda said Monday.

The newspaper severely criticized some young musicians who, it said, betray the spirit of traditional folk culture and "mindlessly copy the model of Western popular music."

"The socialist of one musical group related with pleasure how people often smashed glass at their concerts and how they required large detachments of police to control them," it said. "The pulsing lights, the smoke and the convulsive rhythm of the music lead a part of the audience to tap its feet and whistle."

The Pravda article was the most authoritative in a recent series of press attacks on pop culture. But opinions clearly differ within the Communist youth leadership on how far authorities can go in discouraging the trend without alienating young people.

A recent Culture Ministry conference on popular music concerts produced "exchanges of opinion and heated arguments, which demonstrated that the discussion was timely and expedient," Pravda said.

Despite efforts by several U.S. administrations to seek greater cooperation in weapons development, the current situation is "largely a facade," one of the sponsors, Sen. William V. Roth Jr., Republican of Delaware, said in a speech on the Senate floor.

"Neither NATO as a military organization, nor the defense industries supporting it, have functioned as unified and integrated systems," Sen. Roth added. "There is, in short, less to NATO than meets the eye."

The nonbinding resolution sponsored by Sen. Roth, Sen. John H. Glenn Jr., Democrat of Ohio, and Sen. Sam Nunn, Democrat of Georgia, said the conventional forces of the North Atlantic Treaty Organization are "qualitatively inferior" to those of the Warsaw Pact.

To help remedy this imbalance, it asked President Reagan to propose at the NATO summit meeting in Bonn in June that the allies "pool their defense efforts and resources to create, at acceptable costs, a credible, collective conventional force for the defense of the North Atlantic area."

The Soviet Union placed the most recent of the satellites, Cosmos 1354, into orbit Wednesday to intercept communications. It is the second electronic listening satellite the Soviet Union has put up in the region; the first was Cosmos 1346 on March 31, before the Argentine seizure of the islands on April 2. The Russians also put up a radar sensing satellite, Cosmos 1345, on March 31. That device picks up radar transmissions, particularly from ships.

On the day of the Argentine seizure of the Falklands, the Russians sent up a photographic reconnaissance satellite, Cosmos 1347, that is capable of taking high-resolution pictures of objects on the ground. That satellite drops photographic capsules when it passes over the Soviet Union.

Nearly three weeks later, as the British fleet steamed through the South Atlantic on April 21, the Soviet Union sent up another radar-sensing satellite, Cosmos 1351, presumably to track ship movements. Another photographic satellite, Cosmos 1352, was put up at the same time.

The Russians are believed to have sent up two more photographic satellites, Cosmos 1350 on April 16 and Cosmos 1353 on April 23, but the analysts said they were not certain.

The analysts also pointed out that the British fleet was being limited lately at best. Winter is beginning in that area, meaning the days have been growing shorter. In addition, the weather has generally been foul and overcast. Thus, radar and communication interceptors have been much more useful than photographic monitoring, the analysts said.

Military analysts also said, however, that the British fleet was capable of masking its transmissions with jammers or deception devices. They are also equipped with radar-sensing devices.

While Argentina was believed to lack most highly technical intelligence-gathering devices, the military analysts said the Argentines had been conducting long-range photo reconnaissance of the British fleet by means of commercial aircraft.

Unified Criteria For NATO Arms Urged by Senators

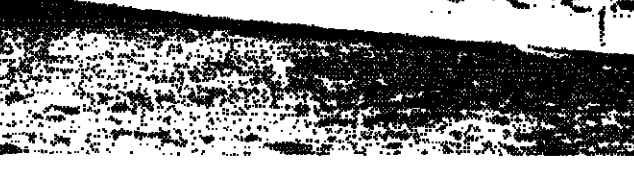
WASHINGTON — Saying the failure of NATO to develop common weapons has driven military costs to dangerous levels, three U.S. senators introduced a resolution Monday calling on President Reagan to propose an unified system for the alliance's defense industries.

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Argentina's second largest warship, the cruiser General Belgrano, shown here in a file photo, was reported by Britain to have been severely damaged by torpedoes from a nuclear-powered submarine Sunday night just outside the British blockade zone.

## 'Film War' in Argentina Has Mixed Results

By James M. Markham  
New York Times Service

BUENOS AIRES — Argentine television is frequently showing footage of A-4 Skyhawks screaming into the sky, or an Argentine frigate, rocking in rough water, firing toward a distant target while the blue and white Argentine flag snaps in the breeze.

The footage seems intended to evoke the drama of the battle in the South Atlantic, 1,000 miles from the Argentine coast, and to suggest that Argentina probably is winning.

But a viewer who has seen the film a few times suddenly realizes that something is wrong. The problem is the stirring backdrop music of "Chariots of Fire."

Until Saturday's fighting between Argentine and British forces, "Chariots of Fire" had been a popular film here. Some Argentines even found themselves applauding the triumph of the two athletes.

## QE2 Drafted Falklanders Believed To Flee to Countryside

By William Borders  
New York Times Service

LONDON — Most of the 1,000 civilian residents of Stanley, the capital of the besieged Falkland Islands, have fled to remote parts of the countryside, according to those here who have knowledge of the islands.

"Our information is that there are no more than 100 or 200 people left in Stanley," said Alastair Cameron, a native of the Falklands who is helping to staff an information office in London for friends and relatives of the islanders.

British government sources, although unable to offer solid confirmation, shared the general impression that most of the islanders had scattered widely in the four weeks since the Argentine invasion.

Since the crisis began, the British government has repeatedly offered to fly out any islanders who wanted to leave, and it has hinted that relocation allowances might be available.

100 Left Islands

Although officials in London said that there was no sign that Argentine authorities kept any of the residents in the Falklands against their will, no more than 100 or so of the 1,800 people who live on the two islands have left.

According to some of the islanders who have come to Stanley, as well as other communications from the Falklands, many houses were empty in Stanley, a windswept little port at the eastern edge of East Falkland Island.

The rugged islanders are easily able to cope with their homeland's brutally inhospitable climate, as the harsh South Atlantic winter roars across the scrubby terrain. They are also much better able to feed themselves in the countryside, which is why British officials said they were less concerned than they



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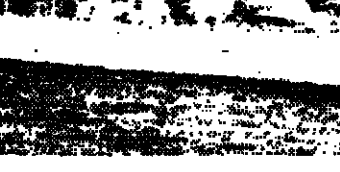
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A British Harrier jet was reported to have been severely damaged by torpedoes from a nuclear-powered submarine Sunday night just outside the British blockade zone.

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# Argentina Is Reported Nearly Able to Produce Nuclear Weapons Fuel

By Judith Miller  
New York Times Service

WASHINGTON — Argentina will soon be able to make its own weapons-grade nuclear material, according to administration and congressional officials.

Although there have been no startling developments in Argentina's atomic energy program, Reagan administration officials say that the program has come under increased scrutiny because of the Falkland Islands crisis.

Some administration policy-makers are concerned that Argentina's confrontation with Britain may prompt President Leopoldo Galtieri to start building a nuclear bomb, especially if a peaceful or military resolution of the Falklands dispute results in a loss of face for Buenos Aires.

Sen. Alan Cranston of California, the Democratic whip, said in the Senate recently that Argentina has "the theoretical capacity to produce nuclear bomb-grade material in significant quantities within the next two years."

The Central Intelligence Agency has estimated that Argentina could build a nuclear weapon within three to five years, if it chooses to do so.

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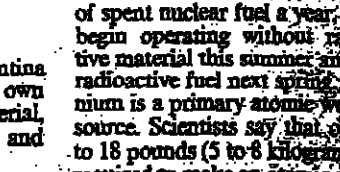
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A nuclear reactor core is shown here, illustrating the technology used in the production of nuclear weapons fuel.

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New York Times Service



# U.S. Cities Confronted With Rising Number of Homeless

By Judith Cummings  
New York Times Service

NEW YORK — Cities all over the United States are straining with the problem of what to do about homeless people.

Like New York City, which has had to commit unprecedented resources to cope with an expanding street population, urban centers across the country are being forced to abandon the illusion that there is a place for everybody and everybody is in his place.

In the industrial Northeast, Columbus, Ohio, is not the hardest hit city economically. Yet last fall the city, with a population of half a million, was forced to open its first public shelter.

"We are handling the walking wounded," said the Rev. Gary Witte, who runs the city's new Open Shelter. "When you accommodate 150 a night in a city of Columbus' size, where there was no such facility six months ago, you just know there's a great need."

In Houston, the Travelers Aid Society receives 1,000 hard-pressed people a month, a group that the Houston director, Virginia Cuvillier, calls "the economically displaced." The figure has increased nearly 40 percent from a year ago, she said.

Whether they sleep on grates in the pavement in the East, in airport toilets in the West or in idle boxcars somewhere between, homeless people are putting to the test America's ability and will to cope with an economy in decline.

## Several Causes Cited

Social welfare agencies and local government officials, who say there is no reliable estimate of numbers, view the problem as a result of many broad changes in American life. These are the causes they most often cite:

- The slumping national economy.
- Cuts in federal and state aid programs and more stringent administration of disability programs.
- Disappearing institutional support for the mentally debilitated.
- Moves to evict agencies for the poor people from central-city areas undergoing redevelopment.
- A shrinking in the supply of low-cost housing.
- Weaker family ties.

Officials of local governments and agencies say they are concerned because the steps being taken to aid the homeless are inadequate and because public policy is needed at the national level to address the economic and social causes and effects.

They report finding more and more women and younger people, particularly blacks and members of other minority groups, slipping into a category that was once dominated by alcohol-ravaged older men. Many of the new homeless are the victims of the high unemployment rate.

## Slumping Economy and Cuts in Aid Are Cited as Causes

In Washington, 13,600 housing units have been converted to condominiums in the last five years and the cost of housing has skyrocketed. In those five years, the city has had to increase its shelter capacity fivefold, from 200 beds to nearly 1,000. A city housing official, Marie Manikian, cited a study showing that as many as 50,000 families could be displaced by 1986.

While some cities are working to add municipal shelters, forces are at work in other areas to reduce the numbers of homeless in the central city. San Diego has an ambitious downtown redevelopment project that has replaced low-cost hotels with new office buildings and shopping areas. The existing

missions in the area say they have subtly urged to relocate by those who fear that derelicts will spoil the renewal project's chances for success.

An important part of the national debate over what to do about the homeless turns on the question of whether provision of more shelter space encourages more people to rely on it.

Robert M. Hayes, a lawyer for the Coalition for the Homeless, brought a lawsuit that resulted in a landmark consent decree in 1981 in New York requiring the city to provide a specified standard of shelter for any homeless man asking for it.

## Conference Set

Since then the city's shelter capacity has doubled and the influx of clients has prompted officials such as Calvin Reid, director of the Men's Shelter, to complain, "As you improve the services, you stimulate demand."

National organizing efforts have been begun by those who reject policies designed to discourage applicants to shelters. This week in Boston, the National Conference

on Social Welfare will convene a meeting at which the public agencies and traditional providers of shelter such as the Salvation Army and Volunteers of America will attempt to form a coalition.

Meanwhile, the supply of housing for the very poor is dwindling. Washington, which has a rental vacancy rate of 2 percent, has 22,000 occupied public housing units and 10,000 people on a waiting list. In Detroit, the tightening of eligibility rules for emergency shelter, made for economy reasons, have caused placements to drop from 4,004 adults and 2,030 families in 1979 to 910 adults and 1,192 families in 1981.

People with mental disabilities have been increasing the street population since a reform movement 20 years ago required that they be released from hospitals unless they were dangerous to others or themselves. Many, along with the elderly and physically disabled, have lived in community homes, where they have been housed in exchange for their general assistance or Social Security checks. Concerns are beginning to be voiced by officials that with reduc-

tions in federal and state aid to the needy, many more such people will be forced into the streets.

Moreover, an increasingly vocal advocacy network for the mentally and physically disabled contends that more stringent rules governing eligibility for two main federal programs are being overzealously administered to cut people with valid disabilities off the rolls.

A stricter review process was mandated by Congress in 1980 and put into effect by the Reagan administration nine months before it was due to go into effect, as a way to reduce overall Social Security spending. The administration has proposed to save \$31 billion through the 1986 fiscal year.

Miss Cuvillier, the Houston official, said the country faced a tide of migrants looking for housing and jobs and what she described as an incipient revolt by some labor leaders in Texas against the influx. She said what was missing was economic planning to give a more hopeful shape to the country's future.

"Where are we going as a nation?" she said. "That's a question nobody seems to be addressing. We need to rethink completely what's going to become of all these people."



Joining in inauguration ceremonies for Alvaro Alfredo Magaña, right, El Salvador's provisional president, were, from left: Gen. Jaime Abdul Gutiérrez, the former vice president; José Napoleón Duarte, the former president; and Roberto D'Aubuisson, the Constituent Assembly leader.

## Magaña Takes Oath as President Of El Salvador, Appeals for Peace

By Richard J. Meislin  
New York Times Service

SAN SALVADOR — Alvaro Alfredo Magaña has been sworn in as provisional president of El Salvador, issuing a call "for peace, for unity, for coordinated effort and for patriotic sacrifice."

"There is no room for resentment, for revenge, for hatred or for sectarian positions," Mr. Magaña asserted Sunday. "Only with a true spirit of fraternity and solidarity among Salvadorans will it be possible to surmount this terrible crisis."

In a 23-minute address that emphasized the need for Salvadorans to pull together to solve their problems, the new president declared that the world "should understand that the people of El Salvador are not cannon fodder for any appetite, for any dictator or for any cold war."

## Dignitaries Present

The government changed hands shortly before noon Sunday as Mr. Magaña took the oath of office before hundreds of Salvadoran and foreign dignitaries in the heavily guarded Legislative Palace.

The oath was administered by Roberto D'Aubuisson, president of the Constituent Assembly and of the far-right Nationalist Republican Alliance.

Mr. D'Aubuisson had bitterly opposed Mr. Magaña's candidacy, maintaining that it was forced on the Constituent Assembly by the military, but the two embraced

warmly when the oath was completed.

The three vice presidents were sworn in minutes later as the outgoing civilian-military junta, headed by José Napoleón Duarte, looked on.

The vice presidents, representing the major political parties, are Raúl Molina Martínez of the conservative National Conciliation Party, Mauricio Gutiérrez Castro of the Nationalist Republican Alliance, and Pablo Mauricio Alvarenga of the centrist Christian Democrats.

The new president promised that his Cabinet, which is expected to be named next week, would also represent a spectrum of political interests to further "national unity."

Mr. Magaña, a 56-year-old lawyer and economist, is a political centrist with close ties to the Salvadoran armed forces. He has headed the country's largest mortgage bank for the last 17 years.

Mr. Magaña's speech repeatedly stressed the need for unity and sacrifice to end the civil war that has convulsed the country for the last two years and to restore its shattered economy.

## Car Bomb Kills Italian Man

Reuters

REGGIO DI CALABRIA, Italy — A car bomb in this southern Italian seaport on Monday killed a building contractor who had received extortion threats from the Mafia, police said.

"We have nothing to allege, nothing to repress and nothing to negotiate," he said to thunderous applause. "We must only fulfill the key mandate for peace."

Mr. Magaña will remain in office only until the Constituent Assembly schedules presidential elections.

## Powers Unclear

It is still unclear what the powers of the new president and vice presidents will be. The assembly appears at this point to have the ability to control the government, and Mr. Magaña referred to it as the "chief power of the state."

But he called as well for a coordinated effort by all branches of government to resolve the nation's problems.

Mr. Magaña said that his general objective would be to ameliorate El Salvador's "economic crisis" and that to do this order must be restored.

Mr. Magaña singled out several groups for praise. One was the Constituent Assembly, whose ratification of the junta's efforts at social and economic reform, he said, is a "clear indication of its intention to continue the search for solutions to the social problems of the country."

Another was the armed forces, which he said "loyally fulfilled their promise to guarantee, protect and defend the electoral process." A third was the "governments of the countries that helped us in our difficult hours."

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## A NEW ERA FOR SMALL-BUSINESS COMMUNICATIONS

For over 100 years the business community has relied increasingly on the telephone as its most essential line of communication. Yet despite this long period of technological improvement, the basic wire-and-switch concept of telephony has remained until now unchanged, a situation which, in view of the information revolution of the Eighties, cannot continue. Business telephony has entered a new era in which conventional technology is not able to keep pace with the demands of the future.

To meet the need for speed, convenience, flexibility and economy in business communications, Philips has developed a new-technology private telephone switching system based on the integration of advanced micro-computer techniques with sophisticated communications electronics.

Called TBX, for Time-division Branch eXchange, the system can be used for voice, image and data communications. It is modular in both hardware and software, so can be con-

figured, re-configured, extended or upgraded to meet the specific needs of the user. Moreover, it can be selectively programmed to provide a host of time and revenue saving facilities such as: hot-line; abbreviated dialling; follow-me; auto ringback; group hunting; add-on conference; toll restriction; executive override and executive/secretary stations. These features,

together with extreme compact and totally silent operation, add up to a system that complements the modern business environment.

The TBX, a new Philips development for small-business communications, is now available in most areas. But Philips can help improve business efficiency in other ways too, as the following examples illustrate.



## ENERGY-SAVING LIGHTING

Philips SL lamps are already saving energy in hotels, offices, conference halls, shopping centres, etc. all over Europe. For example, the Swiss departmental stores group Globus have been able to triple the sales area of their new branch in Berne from 2000m<sup>2</sup> to 6000m<sup>2</sup> with no increase in electricity costs compared with former needs. On average, 70W/m<sup>2</sup> would have been needed previously for sales area lighting, whereas the same basic lighting can now be achieved at 6.5W/m<sup>2</sup> with the new 18W SL lamps, and the overall lighting requirement reduced to only 20W/m<sup>2</sup>. At the same time, the low operating temperature and the reduced radiant heat of the SL lamps give further economy in power consumed by the air conditioning system. Philips new SL lamps are an energy-efficient alternative to incandescent lamps in new lighting schemes or as replacements in existing schemes. The new lamps can be plugged or screwed into standard B22 or E27 sockets and are available in four sizes rated at 9W, 13W, 18W and 25W respectively equivalent to standard 40W, 60W, 75W and 100W incandescent lamps. They also have at least five times longer life.

## ELECTRONIC ACCESS CONTROL SYSTEMS

Philips have a new key to successful security. It is a computer-encoded key that fits on a key-ring, and a simple but sophisticated concept that fits most requirements. The new access control system does everything that a conventional, centralized processor-controlled system will do, but without the complexity. The system is compact and comprehensive. It is easy-to-install and easy-to-use. Above all it is safe, internally and externally. Though the keys all look alike, each is unique; with 60 billion codes to choose from, there is no possibility of duplication.



Write for more information to your local Philips organization or to Philips, C.M.S.D.-Marketing Communications, VOP, Room 25, Eindhoven, Holland. Or telex: 35000-PHTC-NL/CMSD-Marketing Communications, Eindhoven, Holland. I would like more information on:

- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_
- ☐ \_\_\_\_\_

## SILENT THERMAL PRINTER

High-speed line printers - such as those used to print-out data on VDU screens, receive telex messages or collect the news - are usually noisy. Philips new "Copy 80" Silent Thermal Printer is not. It employs a new static printing technique based on momentary heating of tiny resistors arranged along the width of a piece of heat-sensitive paper. Since there is no impact, there is virtually no noise.



"Copy 80" offers other benefits as well. A 240-line-per-minute printing speed lets you print a screenful of information from a visual display in about six seconds. Operation is simple, by means of two pushbuttons. A wide range of character codes, input speeds and interfaces are supplied, to meet the needs of financial dealers, travel advisors, news agencies, viewdata users, private telex operators and many others.

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SURE SIGN OF BUSINESS EFFICIENCY



## Suharto Victory Appears Certain

### But Opposition Parties Expect to Make Inroads

By Pamela G. Hollie  
New York Times Service

**JAKARTA** — The government is calling the general elections Tuesday a celebration of democracy. But like the Javanese epic dramas all Indonesians know by heart, there will be no mystery about the outcome.

The military-backed government party, Golkar, will win control of the House of Representatives. The Moslem-supporting United Development Party and the non-Moslem Indonesian

#### NEWS ANALYSIS

Democratic Party will come in second and third to form the loyal opposition.

In 1983, the 460-member House — which includes 100 appointed members, mostly from the military — will meet with the 920-member People's Consultative Assembly to elect President Suharto, 61, unanimously to a fourth five-year term. He has announced that he will retire in 1988.

#### Former Military Man

Mr. Suharto, like other Southeast Asian leaders of his generation such as Lee Kuan Yew of Singapore and Ferdinand E. Marcos of the Philippines, has built a political system with elements of democracy that nonetheless ensures his continuation in power. Since voting is mandatory for Indonesians over 17, the turnout Tuesday will be large, and the military, determined to

keep a lid on an easily excitable electorate, will be highly visible.

Mr. Suharto is a military man turned politician. As such, he has no worry about receiving a mandate for the continuation of his "new order," a concept that assumes that economic development will lead to shared prosperity in a stable political environment maintained by the armed forces.

His opponents say, however, that the influence of the military has disillusioned his supporters, the most prominent of whom is Gen. Abdul Haris Nasution, the former armed forces chief who presided over the birth of Golkar and who is considered the father of the modern Indonesian Army. His criticism of the government is blunt. He contends that the new order he once supported has failed, because "the army more or less is the government."

#### Rioters Arrested

It had been hoped that with this election a confident President Suharto would loosen his grip on the press and his political opponents. But shortly after a riot at a Golkar rally in Jakarta early in the campaign, the military stepped in to restore "national stability." The government temporarily banned Tampo, an Indonesian newsweekly, for reporting the Jakarta riot as well as riots in Solo and Jogjakarta.

Obviously to protect the electorate from internal disruptive influences, a number of rioters

— alleged ex-Communist agitators and troublemakers — were arrested, among them a prominent Jakarta lawyer who had criticized Mr. Suharto's candidacy.

"Differing political views are allowed, providing they don't create disturbances," said Lt. Gen. Yoga Sugama, head of the National Intelligence Coordinating Agency.

Golkar is expected to fare worse than it did in 1971, when it received 62.8 percent of the vote, or in 1977, when it got 62.1 percent. The Moslem-backed United Development Party appears to have gained popular support at Golkar's expense.

#### Moslem Strength

The Indonesian Democratic Party, which may be lucky to win 10 percent of the vote, includes a faction of new Sukarnoists that could be a political force in the future. For now, the party is badly fragmented.

A stronger Moslem party may not necessarily exacerbate tensions between the government and the Moslem community. But a stronger party surely would encourage special-interest groups that oppose the government's policies on education, holidays and political representation.

Essentially, devout Moslems object to what they call the secularization of national life. In the government's favor in this 90-percent-Moslem country of 150 million people is that most Moslems do not practice their religion; most will vote for Golkar because it has no religious affiliation and represents the status quo.



President Suharto

because it has no religious affiliation and represents the status quo.

If Mr. Suharto decided to run for president by popular vote in 1983, many observers feel he would win easily. Indonesia, under his 15-year regime, has recovered from the fiscal mess left by Sukarno. It now grows enough rice to feed itself. The country's debt, with the help of oil revenue, is now in line with its ability to pay. Inflation has been reduced from 21.9 percent in 1979 to 6.8 percent in 1981.

But President Suharto, despite his economic successes, is still a soldier, and his critics say that therein lies the trouble with his outlook and Indonesia's elections.

## Shariatmadari Reportedly Admits He Knew of Anti-Khomeini Plot

From Agency Dispatches

**LONDON** — A former ayatollah accused of supporting a plot to overthrow Ayatollah Ruhollah Khomeini has repented and asked for forgiveness, the Iranian press agency said Monday.

It said that Khomeini's aide, Shariatmadari, 82, was interviewed on Tehran television Sunday night and "repented for not reporting the plot to officials and asked for forgiveness." It said that he pledged "to fight against them in the future."

The agency did not say whether Ayatollah Khomeini agreed to the pardon. His aides have demanded

that Mr. Shariatmadari be brought to trial. He has been under house arrest since April 16, when he was stripped of his religious titles by the Shiite Moslem religious authorities in Qum.

#### 'Adverse Propaganda'

"Shariatmadari requested Imam Khomeini to prevent adverse propaganda of the mass media regarding himself since it would cause insecurity and endanger his life," the press agency said.

Mr. Shariatmadari was accused by Ayatollah Khomeini's aides of supporting a coup attempt by former Foreign Minister Sadeq

Ghotbzadeh, who was arrested April 3. Mr. Ghotbzadeh corroborated the charge in a televised confession last month.

The press agency did not say when Mr. Shariatmadari was interviewed. But his son, Hassan Shariatmadari, said at his home in Hamburg that the interview was recorded in mid-April "under considerable pressure" and "may be distorted."

Mohammed Reza Shah, a military judge, said that Mr. Shariatmadari gave no "sound replies" to charges against him, the Iranian agency reported.

"Under the pretext of being ill, Shariatmadari answered only written questions," the judge was quoted as saying. "Reza Shah stressed that power-seeking ambitions would not allow people like Shariatmadari to fulfill what they wanted and that only the person whose just was subordinate to God's orders could be the leader of society."

This appeared to be a reference to Ayatollah Khomeini, who was hailed recently by an Iranian legislator, Fakhreddin Hejazi, as a natural successor to the prophet Mohammed.

Iranian security forces, meanwhile, killed or arrested more than 50 leading members of the radical Mujahidin guerrillas in raids throughout Tehran on Monday, Tehran radio reported.

The radio, monitored in London, said that more than 10 guerrilla bases had been destroyed and that security forces had seized documents that would help them track down other guerrillas.

It named what it said were 10 members of the Mujahidin killed in the operation. At least two of them, Fazlollah Tadayun and Hamid Khadami, were the organization's candidates in elections for the Majlis (parliament) two years ago. Three women were among those reported killed.

A spokesman for the Mujahidin in Paris said that the group's hideouts had been captured after an eight-hour battle. He said that many members of the regime's Revolutionary Guard had been killed. Most of the Mujahidin had fought against the Shah's regime and were in prison before the 1979 revolution, he said.

The Mujahidin launched a violent struggle against the regime of Ayatollah Khomeini after the dismissal of President Abolhasan Bani-Sadr last June. Since then, more than 2,000 of their supporters have been executed by firing squads and dozens of guerrillas have died in street clashes.

## Iran and Iraq Battle Near Their Border

### Both Sides Claiming Upper Hand in Clash

United Press International

**BEIRUT** — Iran and Iraq, in the 19th month of a war that was expected to last only a few weeks, fought only 8 miles (13 kilometers) from their common border Monday on the fourth day of an Iranian offensive against the Iraqi invaders.

Both sides claimed to have gained the upper hand in the battle. Iran said that 27 foreign journalists based in Tehran went to the battlefield to see what it said was the destruction of Iraq's 20th Armored Brigade.

There was no independent word on the state of the fighting in southern Khuzistan, Iran's southernmost province and the largest area of occupied territory still in Iraqi hands.

#### Unsubstantiated Fighting

A rare point of agreement between the two sides was that fighting continued unabated all week in Iran's Operation Jerusalem, clearly named to emphasize the importance that Tehran puts on the offensive.

An Iranian communiqué said that nearly 7,000 Iraqis were killed during the weekend. Iraq, which suffered a humiliating defeat in central Khuzistan six weeks ago, said that its forces killed 12,000 Iraqis by Saturday night and "thousands more" Sunday.

There was agreement that Iran had bridged the Karun River on the Iranian side of the frontier Friday and succeeded in putting more troops over Sunday.

But Iran claimed the troops moved into two important towns, Hoseyniyeh and Garmsat, on the far side of the river, while Iraq claimed that the troops were trapped and would soon be "finished off."

#### Slow Progress

Military communiqués from Tehran acknowledged that progress was slow in the heavily defended, 3,000-square-mile (7,700-square-kilometer) battle zone.

The statements, which reported rapid advances on the first day of fighting Friday, said that Iranian troops gained little more than a mile (1.6 kilometers) Sunday, advancing to within 8 miles of the border.

A key Iranian objective was the Shatt-al-Arab waterway town of Khorramshahr, the only major Iranian town still in Iraqi hands.

## Japan, Amid Debate on Revision, Marks Anniversary of Constitution

### Marks Anniversary of Constitution

The Associated Press

**TOKYO** — The 35th anniversary of Japan's postwar constitution was celebrated Monday amid a growing debate over whether to revise the 1947 document.

It is sometimes called Japan's "peace" constitution because of Article 9, which says that Japan forever renounces "the use of war as a means of settling international disputes."

Support for revising the constitution has come from conservatives in the ruling Liberal Democratic Party, among others. Pressure to retain it comes from the opposition Socialists and Communists.

#### 70% Support Article

Public interest in the 166-article document has increased, and a current best-seller in Japan is a simple book called "The Japanese Constitution," which is printed in large type, without footnotes or explanations, and with some simple photographs.

According to a survey conducted

by the Mainichi Shimbun, 70 percent of the people support Article 9. In answer to another question, only 32 percent said they favored amending it. The second paragraph of the article outlawed the possession of "land, sea and air forces, as well as other war potential."

#### 6 NATO Nations Begin Rapid Force Exercise

BAUMHOLZER, West Germany — Troops from Belgium, Britain, Canada, West Germany, Italy and the United States Monday began a monthlong field exercise designed to test NATO's rapid deterrent force, a spokesman said.

The maneuvers, dubbed "Arctic Ground '82," involve 1,200 men from artillery, mortar and helicopter units of the Allied Command Europe Mobile Force who are taking part in operations in the Baumholder region of Rhineland-Palatinate.

## Vietnamese Curtail Attack in Cambodia

### Curtail Attack in Cambodia

The Associated Press

**BANGKOK** — Vietnamese forces in western Cambodia have pulled back from several hill areas that had been targets of a determined four-month offensive against guerrillas of the toppled Khmer Rouge regime, a senior officer of the military supreme command said Monday.

He said Vietnamese infantry and tank drives, backed by artillery and occasional air power, had failed to take the key mountain stronghold of Phnom Malai, adjacent to the Thai border. The Thai officer said Vietnam's dry-season offensive was cut short by unseasonal April rains.

The officer said combined Khmer Rouge and Vietnamese deaths during the offensive probably stood between 100 and 1,000. A Western diplomat estimated more than 500 died.

The diplomat added, "The Vietnamese clearly aimed not only to regain the military initiative they could last year, but also to pin down and destroy the enemy's large units." He said they did not succeed in destroying the units, but successfully regained the initiative and blunted the efforts of the Khmer Rouge and former Premier Son Sann's Khmer People's National Liberation Front.

Japan, which spends less than 1 percent of its gross national product on defense, recently increased its annual defense budget by 7.8 percent. The Japanese have been under pressure from Washington to boost their spending even more to assume what one U.S. senator recently called "their fair share" of common defense costs in Asia.

## William Primrose Is Dead; Renowned Violist Was 77

The Associated Press

**PROVO, Utah** — William Primrose, 77, a world-renowned violist, died Saturday of cancer.

Mr. Primrose was born in Glasgow, Scotland. His talents were recognized early by his father, a violinist, and he entered Guildhall School of Music in London as a

tute of Music, the University of Southern California, Indiana University, Tokyo University and the Talent Education Institute at Matsumoto, where he did much to promote Suzuki string playing principles with the youth of Japan.

He was created a Commander of the British Empire in 1952, and became a U.S. citizen in 1953.

#### OBITUARIES

**Kassem al-Rimawi**

**AMMAN, Jordan (AP)** — Kassem al-Rimawi, 64, who was premier of Jordan briefly in 1980, died Thursday of a heart attack. He also served as deputy premier and defense minister and was several times speaker of Parliament.

**Lewis Nichols**

**NEW YORK (NYT)** — Lewis Nichols, 78, chief drama critic of The New York Times during World War II, died Thursday in Greenfield, Mass.

**Harry Warner Frantz**

**ITHACA, N.Y. (UPI)** — Harry Warner Frantz, 90, who was an editor and foreign correspondent for United Press International and its predecessor, United Press, for 44 years, died April 26. He retired in 1964.

**Elmer Ripley**

**NEW YORK (AP)** — Elmer Ripley, 89, a member of the Basketball Hall of Fame, a coach with the Harlem Globetrotters and coach at several colleges, including Notre Dame and Army, died Thursday.

**Lester Bangs**

**NEW YORK (AP)** — Lester Bangs, 33, a rock music critic who wrote for Rolling Stone, the Village Voice and other publications, died Friday.

**Wally Findlay**

**GALLERIES INTERNATIONAL** — Wally Findlay, 89, a member of the Basketball Hall of Fame, a coach with the Harlem Globetrotters and coach at several colleges, including Notre Dame and Army, died Thursday.

**Marie-Lucie**

**2, avenue matignon** — Marie-Lucie, 89, a member of the Basketball Hall of Fame, a coach with the Harlem Globetrotters and coach at several colleges, including Notre Dame and Army, died Thursday.

**Nessi**

**2, avenue matignon** — Nessi, 89, a member of the Basketball Hall of Fame, a coach with the Harlem Globetrotters and coach at several colleges, including Notre Dame and Army, died Thursday.

**Wally Findlay George V**

**HOTEL GEORGE V - 723.54.00** — Wally Findlay, 89, a member of the Basketball Hall of Fame, a coach with the Harlem Globetrotters and coach at several colleges, including Notre Dame and Army, died Thursday.

**Style MACIE**

**DOUTREAU - SINBARI** — Style MACIE, 89, a member of the Basketball Hall of Fame, a coach with the Harlem Globetrotters and coach at several colleges, including Notre Dame and Army, died Thursday.

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## U.S. Court to Hear French Amoco Cadiz Claim

By William C. Rempel

Los Angeles Times Service

**CHICAGO** — The supertanker Amoco Cadiz had been fighting heavy seas and gusty winds for two days when, on the morning of March 16, 1978, it sailed into disaster off the Brittany coast of France.

The giant ship, bound for England with a \$25-million cargo of Middle East crude oil, was suddenly without steering, its massive rudder flopping uncontrollably from side to side. At the mercy of the winds and tides, the ship drifted onto the rocky coast off Port-salut, its ruptured bottom bleeding 66 million gallons of black crude oil into the rich fishing waters.

More than 120 miles of rocky coastline and sandy resort beaches were hit by the seeping oil slick in what remains the most expensive tanker oil spill in history.

It also spawned the most expensive maritime litigation case in history. The French government and 150 other complainants want \$2 billion in damages from the two subsidiaries of Standard Oil of Indiana, which owned and operated the Amoco Cadiz under a license.

That legal battle begins Tuesday in U.S. District Court in Chicago. France brought the case in U.S. courts to escape French liability limits, which would have restricted any damage award in that country to something less than \$20 million.

The results of the case will affect a tanker industry that is suffering from the worst depression in its history due to the worldwide oil glut, marine insurers, who had their worst year in history last year, and the victims of future oil spills.

Crucial to all sides is the legal issue of whether laws, treaties and old maritime traditions strictly limiting the liability of ships at sea should give way to the challenge of victims of catastrophic tanker pollution.

#### Liability Limited

In 1967, after the Torrey Canyon sank in the previous worst oil spill on record, the tanker industry established a fund to pay pollution claims. In subsequent years most maritime nations — but not the United States — enacted treaties that set uniform limits of liability to match those funds set up by tanker owners. When the Amoco Cadiz went down, that limit was about \$30 million.

The treaties protected tanker owners from an international patchwork of liability rules and limits, but failed to cover the potential cost of massive spills. The U.S. Senate refused to ratify the treaties after opponents complained of the low liability limits.

France, however, approved the treaties and obviously came to regret it in the aftermath of the Amoco Cadiz spill. The government filed its own \$300-million claim in U.S. District court a few blocks from the corporate headquarters of Standard Oil.

The first phase of the Chicago trial will be devoted entirely to the issue of liability limits. Attorneys for Indiana Standard are seeking

to limit the company's risk to the value of the ship, about \$800,000 — a maritime legal standard from the days of sailing ships and whale oil.

Independent investigators have raised serious questions about the conduct of the Amoco Cadiz officers in the hours between the breakdown and the grounding, questions that could give the court grounds to strip the shipowner of any liability-limiting protection.

U.S. courts have ruled against limits, for example, if a shipowner in some way contributed to an accident, such as by hiring a poor

crew or allowing a mechanically deficient ship to sail. French attorneys are expected to argue that Indiana Standard should be stripped of protection on those grounds.

A Liberian Marine Board of Investigation suspended the master's license of Amoco Cadiz Capt. Pasquale Bardari and in a report criticized him for what the board called an "inexcusable delay in calling for assistance."

After the ship lost its steering, Capt. Bardari waited nearly two hours before calling for help. A small tugboat that proved inadequate for the task of holding a fully-loaded 230,000-ton tanker in 15-

foot (4.5 meters) seas was the first to respond and could only delay the grounding. A second tug arrived too late to assist, and the board of inquiry said a timely distress call might have brought it in time.

For its part, Indiana Standard complains that France knew for several hours that a disabled supertanker was floundering off its coast and sent no assistance. Then in the hours after the grounding, the company asserts, France bungled the cleanup operation with a chaotic effort that allowed the oil slick to spread into areas that could have been protected.

## Dutch Expect To End Deal On Soviet Gas

Reuters

**AMSTERDAM** — The Netherlands expects to drop its plan to buy 2 billion cubic meters per year of Soviet natural gas, a spokesman for the state gas utility Nederlandse Gasunie said Monday in Groningen.

"The plans are on ice at the moment, but it is likely negotiations will be halted definitively soon," the spokesman said.

Dutch gas consumption is falling, which means there is less need for additional imports. The spokesman said negotiations with the Soviet Union could always be reopened, but government sources said it appeared unlikely that the Netherlands would buy Soviet gas at any stage.

A month ago Gasunie said the Netherlands still planned to buy the gas despite Moscow's failure to make use of a 2.55-billion-guilder (\$969.5-million) credit for buying Dutch pipeline equipment.

A credit arrangement by Dutch banks to finance the supply of Dutch equipment for the proposed 2,800-mile (4,500-kilometer) gas supply pipeline to Western Europe expired on March 31, and the Soviet Union has not shown any interest in using or in prolonging the arrangement.

The Netherlands initially planned to import 4 billion cubic meters of gas a year, beginning in the mid-1980s, but Gasunie said in February it would seek only 2 billion, partly because of lower Dutch gas requirements.

Figures released Monday by Gasunie show a drop of 9.2 percent in total Dutch gas sales in the first quarter this year over the first quarter of 1981.

The total cost of the pipeline project is estimated at \$40 billion. France and West Germany have placed major orders, and Italy, Austria, and Belgium are also interested.

#### Bombe Explode in Bilbao

Reuters

**BILBAO, Spain** — Two small bombs exploded early Monday, causing no injuries and little damage, police said.

## Land Dispute Increases Greek-Turkish Tensions

New York Times Service

**ATHENS** — A couple of hundred farmers from the region of Xanthi in northeastern Greece got on their tractors and began plowing their fields recently in defiance of a court order expropriating their land.

Under normal circumstances, it would have been considered a minor land dispute to be settled by the local authorities, but because the farmers were Moslems of Turkish origin living in Western Thrace under Greek rule, the incident took on international proportions, aggravating tensions between Greece and Turkey.

The Greek press has accused Turkey of provocations, conspiracy and abuse of the Moslem minority in Western Thrace for irredentist aims.

In return, the Turkish media has accused the Greeks of persecuting the Moslem minority and of violating the 1923 peace treaty of Lausanne, and the Turkish government has threatened retaliation on its Greek minority.

The problem of the Thracian farmers emerged at a time of renewed tension between the two countries over Cyprus and the Aegean.

#### Talks Interrupted

High-level talks between the two governments were interrupted, with Premier Andreas Papandreu asserting that Greece had nothing to negotiate about in the Aegean and that Turkey's continued occupation of Cyprus was an international problem. Senior Greek officials, however, insist privately that the Papandreu government needs time to work out a new approach to the talks.

The incidents of Western Thrace assumed particular importance in view of the underlying strains. Haluk Ulman, a former left-of-center deputy in the Turkish Parliament, said recently, "As long as the relations between the two countries are tense, the problem of the Greeks in Istanbul and the Turks in Western Thrace will always arise as a matter of dispute."

In response to Turkish charges of discrimination, the Greeks pointed out that while the Greek

minority in Turkey had shrunk from 100,000 in 1955 to only 5,000 today, the Moslem minority in Western Thrace had increased in the same period from 120,000 to 129,000.

The current problems in Western Thrace started at the beginning of the year when the government decided to undertake a national inventory of property; something that has never been done systematically in Greece.

In the village of Evlolas near Xanthi, a court ruled in late March that most of the 500 acres (200 hectares) of arable land belonged to the state, including property where about half the houses were built.

#### Decision Appealed

There are 130 Moslem families and four Greek Orthodox families living in Evlolas, and most of them have title deeds to their property, according to an independent Greek journalist who visited the area. The court was said to have based its decision on a document drawn up in 1974 by the rightist military junta with the aim of getting rid of the Moslem minority.

The villagers, most of them tobacco or grain farmers, appealed the court decision and at the same time organized an 11-day sit-down strike in the central square of Xanthi.

The demonstrators were later persuaded to call off their strike and wait for the result of their appeal.

Turkey, meanwhile, irate at what it saw as a move to dispossess the Turkish minority, announced the drafting of a property law to be used in retaliation, should the Moslems in Western Thrace be evicted. The law was sent to the Consultative Assembly for approval.

#### Population of Japan Grows

The Associated Press

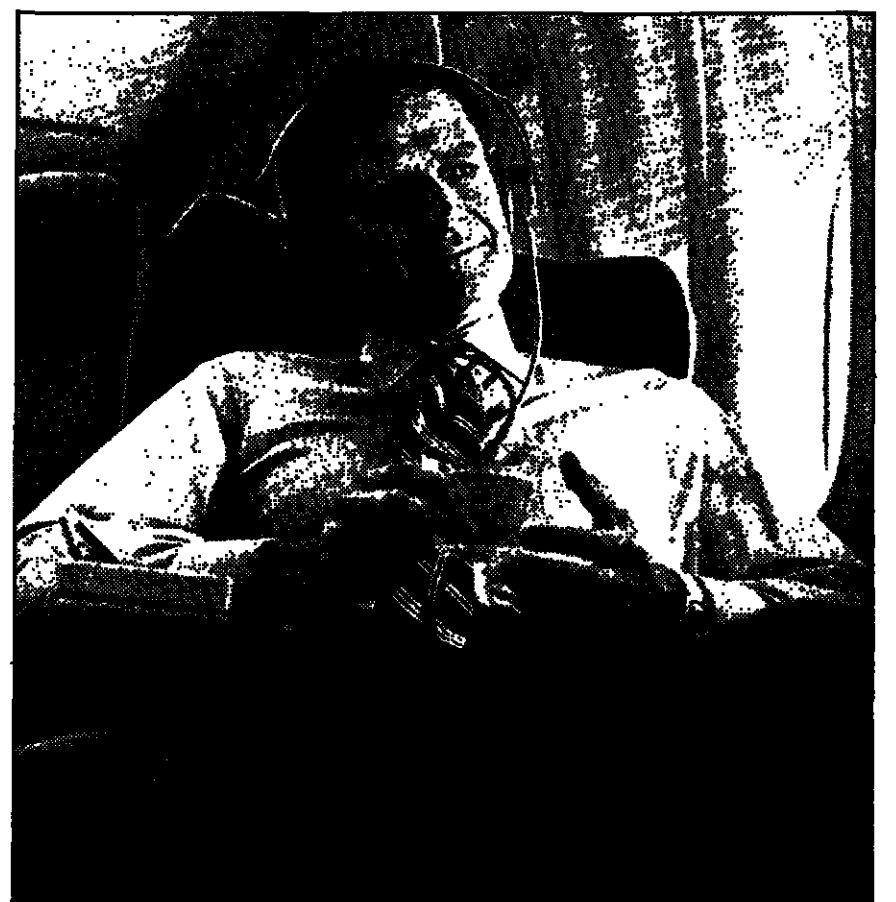
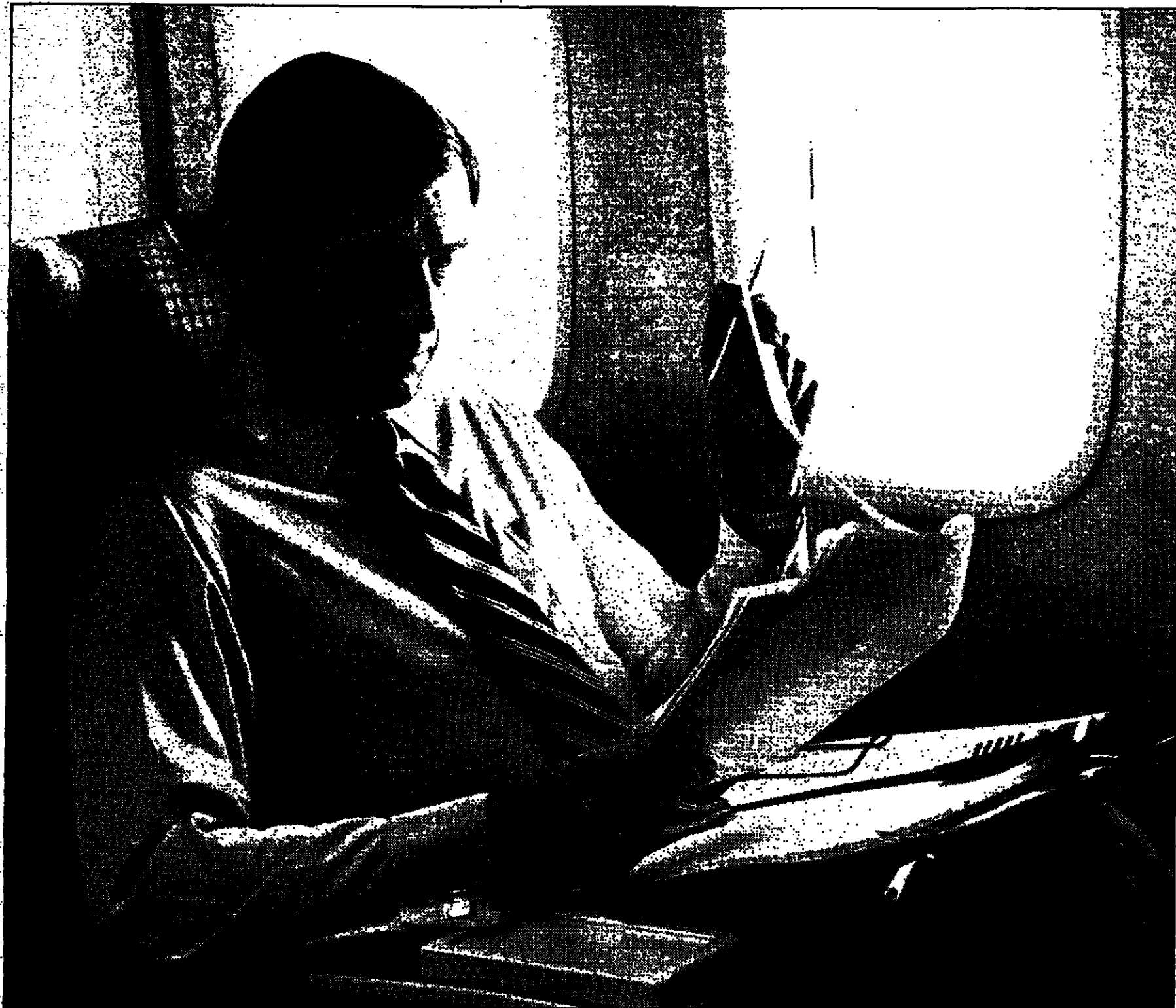
**TOKYO** — Japan's population grew by 820,000, or 0.7 percent, in the year ending last September, the lowest growth rate in Japan's postwar history, but total population reached nearly 118 million, according to a census report released Sunday.

Japan's population growth has been slowing since the mid-1970s, and the government is concerned about the aging of the population and the need for more workers.

The census also showed that the number of Japanese living abroad had increased to 1.2 million, up from 1.1 million in 1977.



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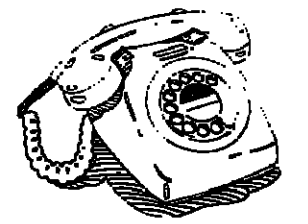
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## Reform in Salvador?

The democratic process has produced a perverse result in El Salvador. Reform is on the defensive. Its advocates in the political parties came up short in the new constituent assembly, and its supporters in the armed forces must now throw their weight around to compensate. Meanwhile, some of the more suspect elements of the old hard right are in the catbird seat. They have the seats in the assembly and they can invoke the very fairness of the elections to discredit the proponents of reform, who include the opposition politicians, many top army officers and, not least, the United States.

A respected independent economist and banker, Alvaro Alfredo Magaña, has been confirmed as the provisional president of the government. But he got his job not through the Salvadoran civilian political process but through intervention in that process by reform-minded officers and by diplomats and congressmen of the United States. The body that confirmed him, the constituent assembly, seems firmly in the grip of former Maj. Roberto D'Aubuisson, known in the past chiefly for his death squad connections and his attempted coups. Under him, the assembly (the legislature) has repealed the decree authority that the old junta used to introduce reforms, and has voted itself powers that

conceivably will enable it to thwart the provisional government (the executive). Meanwhile, the assembly will be writing a constitution and organizing new elections.

Reagan critics had warned that El Salvador, caught up in war, revolution and violence, was not ready for early elections, especially for elections in which the excluded left would not be available to offset the resurgent right. The administration may have been overconfident, but it felt that the prospect of building a more democratic base made the risk worth taking.

It seemed a reasonable risk to us, too, and we still feel that way. To see why, it is necessary to go back to the stunning turnout of March 30. Although parties of the old order profited from it, it is inconceivable that the Salvadoran people were voting to restore the old order. They were responding perhaps to the right's promises to end the war and "improve" the reforms, but they were not inviting back the oligarchy whose misrule created the crisis rendering their lives.

Peace and reform are what Salvadorans demanded on March 30. Mr. D'Aubuisson should not misread his mandate. If the Reagan administration does not hold him to it, the U.S. Congress surely will.

THE WASHINGTON POST.

## Too Little in Poland

The steps that Poland's junta has announced to ease its martial law are four months overdue. Last December, the release of some persons never even charged with a crime and the relaxation of curfew and travel restrictions could have made credible the regime's proclaimed desire for national reconciliation. At this stage, they prove only that the "normalization" of authoritarian rule remains its real agenda.

General Jaruzelski's government is still unwilling to risk any significant restoration of freedom. Note first that Lech Walesa and virtually all the other well-known Solidarity leaders are expected to remain in custody. The main exception is Jan Kulaj, whose freedom appears to have been bought by his willingness to endorse the Communist-controlled United Peasants Party.

The release of 1,000 persons appears to be revocable at will; that of 200 among them is formally "conditional." All are expected to cooperate with the authorities. At least 2,000 Poles will remain in detention, still uncharged. And more than 200 others will continue to serve long sentences for alleged political crimes after Dec. 13. "Summary justice" in military courts, with no right of appeal, remains the order of the day.

Poland in its Solidarity phase was hardly a democracy, and it verged on political and economic chaos. But it had hope, excitement and constructive energy. Poland today is again a sullen police state, occupied by its armed forces and ruled by fear. The freedoms now restored are minute compared with the freedoms that remain lost.

THE NEW YORK TIMES.

## Other Opinion

### Increasing Pressure in the Falklands

The dramatic changes that have taken place in the Falklands dispute over the weekend do not rule out the prospects of a negotiated settlement, even if it is no longer realistic to hope for a peaceful solution. For it is apparent that Prime Minister Margaret Thatcher intends gradually to increase military pressure on the unyielding Argentine regime, until Britain either forces Argentine troops to leave or decides on an armed showdown.

Somehow a way out will have to be found if stability is ever to return to this region. Mrs. Thatcher deserves credit at least for trying to achieve her ends without bloodshed, but with each new step she is

forced to take, the risk of a serious conflagration grows. How long will Argentina be able to hold out against trade sanctions by the Commonwealth, U.S., Europe and Japan? With the Argentine president's political reputation at stake, he will have to decide between economic suicide or ultimate military humiliation.

The pity is that he fails to realize — or cannot persuade his colleagues to accept — that there is now more to be gained by negotiation and achieving international goodwill by doing so, than by a stubborn and futile resistance in which he is being steadily outmaneuvered by his adversary, and which is only aggravating the plight of the country.

— From the South China Morning Post (Hong Kong).



'Dam' Fine Election, Folks. Show Me to Your Oligarchs.'

## The Greek Tragedy of Glasgow

By Ray Van Sandt

NEW YORK — A quiet drama is taking place on the west coast of Scotland in the city of Glasgow, a drama with all of the earmarks of a Greek tragedy. The hero of the story was once a powerful, influential and powerful. Today, as a result of a fatal flaw and the machinations of fate, the hero, isolated without power or influence, is struggling to survive.

The hero is the city itself. Glasgow was once an industrial giant. Known as the second city of the British Empire, it was second only to London in influence and importance. It was one of the first truly industrial cities in the world. The banks of the River Clyde provided the setting for Glasgow's factories, which at first produced textiles, then steel and machines that were used to build and run factories in other parts of the world.

When the machines began to power the ships that supplied the empire, Glasgow and the Clyde again offered the perfect setting for construction of ships that grew in number and size: Cunard's Lusitania, the Queen Mary and many others. They were ships to command and defend the empire, ships to supply armies, ships to fight wars. Glasgow prospered.

It was too good to last. The economic crisis that followed World War II had an immediate and lasting effect on the city. There was a glut of ships. The empire was gone. The complex problems of cities that had been beset by success had not been addressed. In Glasgow as in other industrial cities, the Multistart warning that population outgrows resources took on a new respect — the needs and desires of the people outweighed the ability to fulfill them.

For with success comes an awareness of progress and a desire for a higher standard of living. Services must be provided. The services are funded by taxes. Businesses pass tax increases along to the consumer, and the consumer demands higher wages to maintain his higher standard of living. The cycle continues until the industry and the worker price themselves out of the world market.

Glasgow — as well as other industrial cities in Britain, France, Sweden, the United States — has found it increasingly difficult to compete, first with Japan and more recently with South Korea and the Philippines. Although other old industrial cities are now afflicted with the same problems, the changes in Glasgow seem more tragic because, as an industrial titan, Glasgow was the most impressive.

Today in Glasgow one is constantly reminded of the city's past glory. From any point in the city center, the views of the surrounding skyline offer the silhouettes of numerous spires and domes of restored Victorian architecture. Glasgow remains the home of the Scottish National Opera, the National Ballet and the National Orchestra. It has two universities and three technological colleges.

A civil servant who lives and works in Glasgow recently told me: "We've made mistakes in the past. We were too confident — blinded by our past success. Hubris. We did not react swiftly to changes, but I don't think it's too late. Glasgow has a ready pool of intelligent, skilled labor. All we need to do is attract the right investors."

It is an unfortunate irony that the current unemployment rate in Glasgow of perhaps 17 percent is approximately equal to the prime lending rate in Britain — a factor that could delay investments.

But a man who works for the district council in Glasgow expressed confidence in the temperance of the city and its people. "They are very humble and complacent, but it's amazing what the average man knows about the history of his city. They're very proud. When one considers the city's past, they have reason to be."

The writer, who lives in Florida, spent more than three months in Glasgow last winter. He contributed this article to The New York Times.

## Despite War's Dangers, Nationalism Thrives

By Flora Lewis

NEW YORK — There is something whimsical in going about the Middle East — where people habitually turn on the radio on the hour because they expect bad news any moment — hearing reports on the Falklands crisis, and considering plaintive new calls for abolition of the nation-state.

In his series in The New Yorker magazine on the danger of nuclear annihilation, recently published in book form, Jonathan Schell identifies the nation as the root of evil of conflict that can lead to nuclear war. Since the bomb cannot be disintegrated, Schell suggests dismantling the nation-state and thus getting rid of the cause of major war.

But there is evidence everywhere, and nowhere more than in the Middle East, that man is a tribal animal. Tribes were the earliest social form, evolved before any weapons more complicated than sticks and stones. Their command on human loyalty remains deeply embedded, even facing the awesome atom.

The nation is the largest, most elaborate expression of tribalism so far. And nationalism has never been so exalted and entrenched. With the passing of fealty to kings, the nation has become the articulation of social existence.

The United Nations is partly to blame for this. It has enhanced and multiplied the claims of nationhood as the key to identity. Sovereignty, which once was a concept of the few, is now a concept of the many. And which ruler married which other ruler's offspring, has been elevated into a sacred principle. The concept of one-nation-one-vote has come to be considered a kind of natural right, like the civil rights of individuals.

From 50 members, the United Nations has

grown to more than 150 sovereign states. When the British decolonized, they tried setting up federations in Africa, Asia and the Caribbean to provide viability for newly independent chunks of territory. Each collapsed. Every former colony wanted its own statehood, however illogical and inefficient.

Since then, regional organizations have developed to counter the worst absurdities of national politics. But none has gone much beyond a little economic and sometimes security cooperation. Regardless of the menace of extinction by nuclear holocaust, nationalism remains alive and well.

Even the Arabs, who proclaim themselves a single nation united by race, culture and to some extent religion, are more dominated by rival statehood than by solidarity of origin. National-state interests are decisive.

The nuclear threat is too real, too near, to consider the wishful and at this stage impossible notion of wiping out peoples. They do need to be some way of containing conflict, of reducing the risk, but clearly that one is not going to work.

The reaction of Britons and Argentines to the symbolic stimulus of raising and lowering flags is the most recent example of the continuing grip of nationalism.

Israelis did swallow, painfully, the lowering of their flag in the Sinai, but they had occupied it for just under 15 years and had never claimed it as part of their nation. They felt they were making an enormous sacrifice for peace, and the sense of loss wasn't only the abandoned security buffer. The most murderous Arab-Israeli war came in 1973 when Israel held the whole of Sinai. It was the loss of

territory, of settlements, that hurt them most and set the strings of nationalism throbbing.

For Britain, the Falklands dispute should be glaring proof of the folly of a defense policy that lays ever more stress on nuclear weaponry at the cost of conventional defense. It is ironic that the new foreign minister having to deal with dispatch of two-thirds of the Royal Navy is the same Francis Pym who resigned as defense minister to protest against Prime Minister Thatcher's decision to buy Trident submarines, at the cost of cutting back the rest of the fleet and closing navy yards.

The Trident, if it were in service, couldn't do a thing about the Falklands. Nor could they keep open sea lanes needed to feed and supply Britain. They won't add anything of value to NATO defenses, but diminishing the British Navy will be a serious loss to the Atlantic alliance.

In Argentina, the danger that failing domestic politics in any police state or militarized regime create for the peace of the rest of the world has been made quite clear. It's a shame that sanctions couldn't have been the threat of excluding Argentina from the Madrid World Cup. Argentines care even more about football than they do about the Falklands. That's nationalism too, but in a safer arena.

There isn't going to be any way to deal with the nuclear issue at the expense of expressing nationalism, and we must admit it if we want to be effective. That leaves international negotiation, which takes account of the parties' deepest interests. Aiming for "bargaining chips" is as illusory a path to peace as talking about getting rid of nationalism.

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WASHINGTON — As manufacturers and traders in Japan are neither awe-struck nor seven feet tall, despite the increasing numbers of U.S. businessmen who imply that they are, Americans are based on Japan's export success, which in turn is founded in the experience of U.S. consumers. From automobiles to zippers, Americans find that they get more for their money by buying Japanese.

The key word here is "money." It is the value of the Japanese yen that is responsible for much of Japan's export success and for the low prices of Japanese articles in the United States. Americans who import Toyotas get nearly 250 yen in exchange for each dollar. If instead they had to pay 175 or 200 yen, Toyotas would not be such a good buy for them or their customers.

The fact is that the yen is grossly undervalued and the dollar grossly overvalued at prevailing exchange rates. Even the Japanese agree this is true. Large Japanese exporters admit they could still export profitably, although perhaps at reduced volume, if the exchange rate were at the level of less than 200 yen to the dollar; but many of the items produced by smaller exporters could not be sold profitably if the yen were allowed to rise to its natural level.

U.S. business and government officials should look at the value of the exchange rate and stop flagging themselves over their alleged lack of competitiveness with Japanese exports. If the U.S. dollar were to be undervalued to the tune of 10 to 25 percent for the best part of a decade — as the yen has — the United States would also have huge export surpluses.

Why is the yen too cheap? Why has not the strong demand for Japanese goods caused the exchange rate to rise? The Japanese contend that the culprit is high U.S. interest rates. In mid-March, when the prime rate was 16.5 percent in the United States, it was 6.5 percent in Japan. This differential induced Japanese funds to move abroad to get a higher return, thereby raising the demand for dollars in Japan and causing the price of the dollar in terms of yen to rise (or the value of the yen to fall).

Indeed, pointing the finger at interest rates is correct — but the

constant complaint heard from Americans and Europeans is that Japan closes its markets to their imports. The criticism misrepresents the market, for the important distortion stems from Japan's credit markets. In contrast, Japanese import markets are now almost completely free of legal barriers to commodity imports. Those import quotas and high tariffs that remain would, if removed, only slightly dent their huge export surpluses.

Commodity markets and money markets in today's world are deeply interdependent. Japan cannot retain an open market for goods at home or continue to benefit from open markets abroad while maintaining a closed market for money.

In shutting off their domestic money markets from the world and monetary policy by direct controls rather than by price (higher interest rates), the Japanese are putting themselves and the world trading system at great risk. The yen will remain undervalued as long as Japanese interest rates are insulated from those of the rest of the world. The undervalued yen will continue to give Japanese exports an unfair advantage in foreign markets. That will generate increasing resentment against Japan and increasing pressure for protection against its competition.

There is nothing wrong with U.S. exporters that a yen at 175 to the dollar would not cure.

The writer, a former member of the U.S. Tariff Commission, is a senior fellow in economic research at Georgetown University's Center for Strategic and International Studies. She contributed this article to the Los Angeles Times.

Letters intended for publication should be addressed "Letters to the Editor," and must include the writer's address and signature. Priority is given to letters that are brief and do not request anonymity. Letters may be abridged. We are unable to acknowledge all letters, but value the views of readers who submit them.

## Letters

### Imaginary Enemies

Youth's current preoccupation with imaginary enemies, described in "How-To Manuals Give Scoring Tips on New Video Games" (IHT, Feb. 17), is good news. Maybe there's hope. Maybe a generation intellectually capable of untangling Rubik's Cube and mastering Pac-Man will show nothing but contempt and disinterest for the simple-minded consequences of mass annihilation threatened today on this generation's nuclear chessboard.

LOUIS H. CARUFEL,  
Paris.

### Question of Semantics

The article (IHT, March 3) on the Senate debate over whether journalists should be allowed to think or not (on the subject of the CIA) gives the impression that Sen. Hayakawa had, aesthetically if not effectively, the last word: When the subject of semantics came up, he insisted that his opinion should be deferred to on the grounds that "I have written five books about the subject."

The senator has a right to his opinion, but it should be noted that most working semanticists would disagree with it: His field, the "general semantics" of the late Count Korzybski, has about

the same relationship with the discipline of semantics that "creation science" has with biology.

Meanwhile, it would be more sensible if the Senate were to consider what is going to happen when a journalist is arrested for naming CIA agents. Prosecuting will be tantamount to admitting that the story is true, something the CIA has (sensibly) never done before.

DAVID BLOOM,  
Singapore.

### What's the Policy?

Regarding "U.S. Eases Trade Curbs on Syria, South Yemen" (IHT, March 5):

1. The U.S. accuses the USSR of supporting international terrorism and yet does not include it in its famous list.

2. The U.S. says that the fight against international terrorism is a high priority, and, though it considers Syria and South Yemen as encouraging it, agrees to sell them aircraft, not because they, in its opinion, changed their attitude, but because of economic considerations.

3. The U.S. continues to sell grains to the USSR despite Afghanistan and Poland.

4. The U.S. accuses France of being friendly to the Arabs because of mercantile and economic considerations pertaining to oil.

5. The U.S. opposes the purchase of gas from the USSR by Europe, though Europe also has taken the decision for economic reasons.

Does the U.S. really have a policy? Or is the famous biblical formula about one's eye and the neighbor's eye applicable to it? We thought Americans rational people. If they are, can it be said that this administration represents them?

JEAN-PIERRE JOLY,  
Lisbon.

### Obscene Proposal

Regarding "Only 15 of 4,000 Internees Accept Offer of Passports to Leave Poland" (IHT, March 5), this comes as no surprise. If, like me, you had met any of the men and women who constituted the Solidarity trade union you would have been struck by their commitment to their country and to their fellow workers. Independent trade unions can only be formed by workers inside their own country. General Jaruzelski's obscene proposal to dump Solidarity leaders in the West has been correctly rejected by Western governments. More important, as your report indicates, it is being rejected by Solidarity members themselves.

HERMAN REBHAN,  
Geneva.

This is the second of two articles.

PARIS — There have been too many demonstrations of incoherence during the first year of France's new Socialist government. They are evidence of one of the government's fundamental problems, its lack of internal unity and therefore of consistent policy.

The Socialists are divided from their governing partners, the Communists, and each party suffers from its own internal divisions. The government's attempt to reassure businessmen and promote investment causes the more radical Socialists to accuse the government of behaving in a timid and defeatist way, and even of betraying the principles on which it was elected. The party militants have experienced one disappointment after another.

Grand projects have been canceled, postponed or reversed. Some made little sense to begin with. The nationalization of five major industrial groups and the leading private banks was from the start, as every intelligent Socialist understood, a kind of charade, necessary because nationalization had become symbolic of Socialism, but economically null.

Political decentralization, which, if seriously done, would transform the character of French national life — intensely centralized and Paris-dominated since the 17th century — has been postponed. Great plans had been announced for a transfer of financial and administrative decision out of Paris to the regions. The laws were drafted. But now the main measures are being spread out over three years, "so as to allow local

authorities better to prepare to make use of the new funds being put at their disposal."

Reform in policing and the administration of justice was an important campaign issue, and that too has provoked an embarrassing conflict between the interior and justice ministers, and proposed reforms have been postponed for "reworking." But also simply because security has become a touchy political issue after several recent terrorist incidents and attacks on policemen.

The government is protecting itself where it feels the most vulnerable — on its right. The Socialists lost four parliamentary by-elections in February, when they had anticipated losing two at most. They decisively lost the cantonal elections in March — a nationwide vote for local officials. The reasons are twofold: The Communist vote has collapsed, and a middle group of voters, who last year supported the Socialists, have gone back to voting for the center-right. Without these supporters, the Socialists are in trouble.

The government recognizes that it has from now till 1986 (when, at the latest, parliamentary elections must take place) to recover the confidence of moderate voters. But by recapturing and reassuring the centrist vote, the Socialists anger and alienate their own supporters on the left.

And that expresses their other big problem. The Communists need desperately to recover from the Socialists the leadership of the left — historically the property of the French Communist Party since

its founding in 1920. The Socialist Party of Francois Mitterrand has one great and unqualified success to its account: It has all but ruined the Communist Party.

Today the Socialist Party receives the biggest vote of any political party in France, 34.85 percent of those voting in the cantonal elections (57.75 percent in last year's parliamentary vote). The Communist Party was down to 13.6 percent in March, and some polls suggest that its support nationwide is as low as 10 percent.

Its only hope is that the Socialist government will fail — fail so badly that voters on the left will turn to the Communists. For the Communist leadership — officially allies of the Socialists, with Communist Cabinet ministers in the government — is a delicate problem in the tactics of treachery is thus posed. The Communist trade union, the CGT, has already begun a

drumbeat criticism of government measures and is staging politically motivated strikes.

It is a serious problem for the Socialists. They can be sure the betrayal will come. Their current vulnerability is on the right; they have lost support to the neo-Gaullist party of Jacques Chirac, and to the centrists. But soon defections will begin on the disgraced left.

The bloom is off the Socialists' symbolic rose. Last year they could dream; the left's supporters could tell themselves that something magical had happened. They and their conservative opponents both thought terrific possibilities had been opened up — for progress or for disaster.

Instead, both find that France has a perfectly ordinary reformist government, with rather confused good intentions and less than brilliant policies. They find themselves with a government that is trying to

impose a recognizably Keynesian policy of reflation the country out of the recession — a policy that is not working very well, and that important people in the Socialist movement admit will not succeed so long as the other major Western economies go on practicing deflationary economics.

But unless it does work, and work pretty soon, the Socialist government will be in serious trouble. A year from now municipal elections will take place across the country. These inevitably will be seen as a national referendum on the government's performance. If the Socialists lose, they will be under pressure to call a parliamentary election and seek a new mandate.

They could refuse, of course, and political life in France would then become very unpleasant. But whether it comes to that or not, the Socialists' days of wine with their red roses are already over.

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## May 4: From Our Pages of 75 and 50 Years Ago

### 1907: Race Against Rabies

NEW YORK — Mr. William Cooper Procter, the wealthy president of the Procter and Gamble Soap Company, arrived in New York, having traveled in the fastest train from Cincinnati in a race against death from hydrophobia [rabies]. He owns one of the finest kennels in Ohio, and was bitten two days ago by a pet setter. Later he learned that every dog in the kennel was suffering from hydrophobia. An automobile was waiting at the railway station to take Mr. Procter to the Pasteur Institute. Fearing that his own dogs might have bitten others, Mr. Procter notified the authorities in Cincinnati, who have ordered every dog at large in the part of the city near the kennels to be shot.

### 1932: Pershing's Surprise Prize

PARIS — Elated by the news of his award of the \$2,000 Pulitzer prize for his book, "My Experiences in the World War," as 1931's best history of the United States, Gen. John J. Pershing reached Paris from the U.S. liner Leviathan. "On the level, you're not joking?" he asked from the window of the transatlantic special when told about the \$2,000 prize. "What a pleasant surprise! How shall we spend it, boys?" The American wartime leader expressed great enthusiasm over his return to Paris, declaring he had had a fine crossing on the Atlantic. He announced he intended to supervise the construction of the battlefields monuments of which he was in charge.

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ARTS/LEISURE

# The Squill: Tracking Down the 'Grasshopper' of the Sea

VENICE is a hard city to get away from. I do not know exactly how many times I have visited it, but I do recall that only once did I succeed in escaping from its enervating charm to investigate its neighborhood. Even then I did not get very far, only 10 miles away, to Treviso, where the dogs used to take refuge in July and August from the heat of their capital and the stench of the canals.

Treviso is worth an effort. You get a foretaste of its splendor as you approach it, for the way from Venice to Treviso is lined with magnificent villas — "palaces of city folk and sovereigns," Goldoni put it 200 years ago.

But it is not primarily for its art or its architecture that I remember Treviso: it is for its markets. The most elaborate spectacle of all, the fish-market, straddles one of Treviso's two small rivers, the Cagnan.

The fish-market of Treviso apparently harbors every edible denizen of lakes, streams and the sea smaller than shark. I was intrigued by one stand where the central display of flopping fish was flanked on either side by high, upright stacks of pigeonholes, open side up, which turned out to contain different sorts of small water animals. From one of them a fishwife plucked a curious creature and held it up for my inspection. It looked like a cross between a shrimp and a lobster and confused me by having a dark spot, or perhaps two, like an eye, or eyes, but on the tail, making it difficult to decide which end was up. Precise observation was difficult because the animal thrashed from side to side so violently that I thought it would tear loose from the hand holding it. "What in the world is that?" I asked. "A sea grasshopper," she replied, leaving me not much wiser.

Three or four days later in a Venetian restaurant I came upon others that had been subdued by boiling. The taste recalled that of shrimp, minus the sweetness and plus a certain exotic sharpness. It was perhaps a flavor which could grow on one; but I was in scampi country, and I am fond of scampi, so I neglected the sea grasshopper.

I still do not know what I saw in Treviso and ate in Venice. There are two groups of crustaceans which in the Mediterranean, including the Adriatic, are called sea grasshoppers, sea locusts or sea crickets. I have drawings of both, but neither of them show the feature which impressed me most, the eyes on the tails; but this could be explained either by the laxity of artists or by the innumerable variations among such small crustaceans.

One possibility is that the tidbit of Treviso is a member of the Scyllaridae, misnamed in English the flat lobster or the slipper lobster. But it is not a lobster. In Latin languages it is identified as *cigala*, the sea cricket — *cigala di mare* in French, *cigala di mare* in Italian, confusingly not *cigala* in Spanish (this is the Norway lobster), but *cigarra de mar*, and *cigarras de mar* in Portuguese, not to mention *cigala* in Catalan and *cigala* in the Balearic Islands.

The name "sea cricket" comes from a Scyllaridae habit of clacking the two halves of its claws together, which makes a noise resembling that of the land-based cricket, although the animal's claws are so short that one estimable specialist says it hasn't any. Except for this deficiency, the species most eaten in its native waters, the Mediterranean, the *grande cigala* (big cricket) in France, *Scyllarus latus* everywhere, might easily be taken for a lobster. It reaches 16 to 18 inches in length, and may weigh as much as 4½ pounds. It can be prepared in any fashion suitable for lobster or spiny lobster.

The Mediterranean also knows a smaller species, *Scyllarus arcus*, the *petite cigala* (little cricket). This one does not exceed 5.5 inches in length, and inhabits shallow, coastal waters, indifferently over rocky or muddy bottoms. Its taste is described as resembling that of spiny lobster, but while the tail meat is of excellent flavor, there is so little of it that it usually ends up in soup.

There are at least two similar American species, *Scyllarus depressus* and *Scyllarides nodifer*, both found in North Carolina; but no attention is paid to them, though the United States imports a related animal from Australia, under the name of slipper lobster.

The Treviso animal seems less likely to be *Scyllarus* than *Squilla*, about whose separate identity Italian tales to deceive us when it calls it also *cigala di mare*, French when it refers to it either as *cigala de mer* or *squerelle de mer* (sea grasshopper) and even Provençal when it calls it *machoca*, a word which we have just met applied to the sea cricket. The crustaceans of this group are squills in both French (*squilles*) and English, though often "squilla" in English, probably to distinguish it from the medicinal, though it is sometimes referred to as the red squat lobster, its commonest name is the mantis shrimp. It is not a shrimp, but a rather special animal, occupying completely the order Stomatopoda ("walking on the mouth"), which includes nothing but squills.

The name comes from the insect called the praying mantis, which seems to adopt an attitude of reverent prayer — a hypocritical stance, for this arrangement is designed for the efficient devouring of insects, including, for the female mantis, its mate. The squill is shaped in similar fashion. A decapod, being provided 10 legs, it

abundant in southern Italy, North Africa, and, though it does not turn northward when it escapes from the Mediterranean, it does take the opposite direction, and is plentiful on the Atlantic coasts of Morocco.

The squill was well known to the ancients. Horace recommended it, grilled, to revive stomachs exhausted by overdrinking. He also wrote in his eighth satire, "The Ridiculous Feast": "There reached the table a moray surrounded with squills. 'It was taken full,' said the host, Naisiensis, 'for after laying the flesh is less good. The sauce was made with virgin oil from Venetian and Spanish gardens, and it was basted, as it cooked, with five-year-old Italian wine; after cooking, the wine of Chios goes better with it; it was finished by adding white pepper and Methymnean vinegar.'"

*Squilla mantis* reaches a length of about 8 inches. The best time to eat it is winter when the female is

full of eggs; like the moray with which Horace accompanied it, it should be eaten full; just after this period, the animal is almost empty of its edible content, and the flaccid flesh which remains is not worth bothering about.

That this is the animal I met in Treviso, I suspect on the flimsiest of evidence: first, because an Italian source reports that it can live for a long time out of water, which seems in harmony with the ferocious violence of the animal shown to me; and second because a French source says that it bears two large spots which resemble eyes — locality unfortunately not specified, so I will take the liberty of placing them on the tail.

Squilla gets around more than *Scyllarus*, being found in most of the warm waters of the world. *Squilla empusa* burrows into the mud beyond the low-tide mark along the eastern coast of the United States and gets as far north as Woods Hole. It differs from *Squilla mantis* in color, being yellowish-green, with each segment of the carapace decoratively bordered with a darker shade of green edged with yellow. The squill is also found in Hawaii, but of what species I do not know. In Japan, squills are so numerous as to be cheaper than other crustaceans. The Philippine Islands boast one of the largest squills, *Lybia squilla maculata*, which passes 15 inches in length. Squills are ordinarily shallow-water animals, but *Squilla investigatoris* has been taken in quantity in the Indian Ocean from a depth of 110 fathoms.

It appears that in some localities along the French Atlantic coast the name of sea grasshopper is given to a small shrimp so indecisive in color that it is the gray shrimp in French and the brown shrimp in English. This is *Crangon crangon*, foreign to *Scyllarus* or *Squilla*. I am able to believe the *Dictionnaire de l'Académie des Gastronomes* when it says that the squill is also called the sea shrimp, but not when it dubs it the sea mussel.

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## WAVERLEY ROOT

seems at first sight to have only three pairs: the first pair, much modified, is attached to the mouth; the second, thickened and bent, is thus provided with "knives," and it uses them also to seize and hold its prey while it munches it. Its scientific name is *Squilla mantis*.

It must be at about its northernmost habitat at Treviso, where it was once so bountiful that during hard times it sometimes became the principal food of the poor. It is

liquored breath, all flashing lights and fury" Dallas.

This was in the '50s when hillbilly music was just beginning to rock, and their songs had lines like: "If you find a turd in your toilet bowl, it'll be me, and I'll be looking for you." (Later, the offending phrase was changed to "lump in your sugar bowl.")

Lewis taught himself how to play boogie-woogie piano and after he broke his leg and had to play with it sticking straight out in a cast for awhile never stopped playing that way. He would also stand on the piano "angin." His hits "Whole Lotta Shakin'" and "Great Balls of Fire" made him the main contender for the rock 'n' roll throne occupied by Elvis Presley, though even some Presley fans damned Lewis as lascivious and evil.

## Disastrous Tour

He guarded his territory jealously. Once after Chuck Berry had been given the honor of closing a show featuring both of them, Lewis kicked the piano stool across the stage, took out a soda bottle filled with gasoline, doused the piano with it, set it on fire and continued to play the blazing keys. As the audience stamped and yelled, he went up to Berry, who was waiting in the wings, and said calmly: "Follow that, nigger." (They eventually came to be friends.)

But when he married his 13-year-old cousin, an expected triumphal tour of Britain turned into disaster because of the unfavorable publicity and it had to be canceled. "Baby-snatcher quits," ran one headline.

"Making the Devil's music for money went against all his church had taught him to be right, all that his mother had wished him to be," and now he would begin to pay. "Man, I got the Devil in me," he once said. He began to take three instead of two fingers of whiskey and five instead of three little pills and he fell from grace.

His two sons died, his cousin divorced him, he accidentally shot his bass player, he was in a bad car accident, he was repeatedly hospitalized because of the pills and the alcohol.

Then a smart producer picked him up from the bottom and, against all industry instincts, turned him into a country and western star. By the early '70s he had become the hottest country singer in the South, due to such hits as "To Make Love Sweeter For You," "She Even Woke Me Up To Say Goodbye" and "Once More With Feeling." He made more money than ever.

But years before he had preached in a church one Sunday about the rich man in hell, about "how that rich man cried out to Abraham for a drop of water to cool his dry tongue, and how Abraham gave him none, for no man can serve God and Mammon both." Whiskey and drugs had become as important as God and music to him. He spent more than he made, threatened his associates with guns and knives, he made enemies, his friends lost patience with him, he was sad and good again and his material belongings were repossessed.

## Presley's Reply

The more he succeeded the closer failure lurked. Lewis ran into Presley in Las Vegas in 1975, and said to him: "You don't know what you're doin'. You're just Colonel Parker's puppet." "Well," said Elvis, "if I'm so dumb and you're so smart, how is it that I'm playin' the main room and you're playin' the lounge?"

One image fingers after finishing the book. "He took a drink and beheld himself in the mirror. There were lines on his face that he had never seen before. He looked for the eyes of the hawk, but saw only his own, pink and milky from the

## Arts Agenda

VIENNA — A triple bill by the Vienna State Opera Ballet scheduled for its first performance May 22 will combine Ad Kijlevsky's "Symphony in D" and to Haydn (part of the Vienna Festival's Haydn celebration this year); Erik Satie's "The Golden" set to music by Francis Poulenc, and Miklós Csiki's "Lullaby" with music of Stravinsky. Stefan Soltesz will conduct. Later performances this season are scheduled for June 7, 11 and 25.

LONDON — The Paris Opera Ballet will make its second visit in 28 years to the Royal Opera House, Covent Garden, in a two-part performance May 27 and 28. Under the direction of Rosalind Wiseman, the company will present two full-length works, "La Sylphide," in Pierre Lacotte's reconstruction of Taglioni's choreography, and "A Midsummer Night's Dream," in John Neumeier's version.

# Jerry Lee Lewis' Brimstone Trail

By Michael Zwerin

International Herald Tribune

PARIS — Jerry Lee Lewis was once tempted to be a preacher and he suspected that rock 'n' roll was the devil's music, but finally "he watched that returned whore, errant fame, raise her skirt, and he felt her belly warm to his, and he threw back his head and roared as he had never roared before."

This is a story about fame, religion, tragedy, sex, violence, riches and drugs. It would be easy to dismiss as sensational except that "Hellfire," Nick Tosches' biography of rock 'n' roll star Lewis (Dell) is exquisitely written and communicates the Bible Belt conflict between fundamentalism and hell raisin' as much as it tells us about his life.

A pop star biography that neither drops names nor goes into boring encyclopedic detail is rare, if not unique. The sensational is played down into context rather than exploited and the style itself, a sort of Biblical backbeat, is all the polemic necessary.

The story starts several generations back with the fire-and-brimstone ancestors of the literally lowbrow, white trash youth from the Mississippi delta who roared all the way to the bank with checks that, as Lewis told his Daddy, had almost as many zeros on them as there had been F's on his third-grade report card.

## Honky-Tonk Joins

He sold sewing machines door-to-door, his friends worked on pipelines and construction projects, they lived in garage apartments and spoke with swampy accents and on weekends they played music in honky-tonk joints called "The Wagon Wheel, The Blue Car Club and Bad Bob's Lounge in red-light districts and strips in Natchez, Memphis and "there she lay with lifted skirt and

Lewis raising hell in 1963.

There are at least two similar American species, *Scyllarus depressus* and *Scyllarides nodifer*, both found in North Carolina; but no attention is paid to them, though the United States imports a related animal from Australia, under the name of slipper lobster.

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## Photography Scene

Lisette Model, Folkwang Museum, Bismarck Strasse 64, Essen, to May 9.

Lisette Model pictured prewar Côte d'Azur and Paris, New York and the beaches of New Jersey. Her approach is simple. She points her camera straight at her subject and the unembellished pictures always show just the right amount of background. Model's photographs are often criticized as ugly but the photographer says she "only photographs life as it is." She is not choosy with her subjects, she takes the rich at the cocktail parties and the poor on the streets and the overweight happily splashing around beaches.

Yoshio Tazaki, FNAC Galerie, Centre City 2, Brussels, to May 15.

Richard Baltuss and Friedrich Centor, Galerie Delpire, 13 Rue de l'Abbaye, Paris 6, to May 8. Two different approaches to portraiture — Baltuss' subjects are posed against a white studio background, while Centor shoots in the natural environment — often achieve similar results, captivating portraits.

Homopolis, Robert Van der Hilts, FNAC-Montparnasse, 136 Rue de Rennes, Paris 6, to May 29.

Hits captures the leather, chains, drag queens and motorcycle bands of the homosexual world in San Francisco. The emphasis is on exclusion, both of the opposite sex and society as a whole, rather

than the seclusion and "togetherness" of the city's homosexual ghetto.

Jérôme Minet, FNAC-Forum, Forum des Halles, Paris 3, to May 22.

Pictures from the dance floor of a nightclub that are full of life and movement and that radiate the joy of dancing. Minet's photographs show a subtle mixture of musicians, listeners and dancers at La Chapelle des Lombards, a pulsing Paris jazz and salsa club.

Robert Doisneau and Jan Svoboda, Photographers' Gallery, 8 Great Newport Street, London WC2, Doisneau to May 16, Svoboda to May 8.

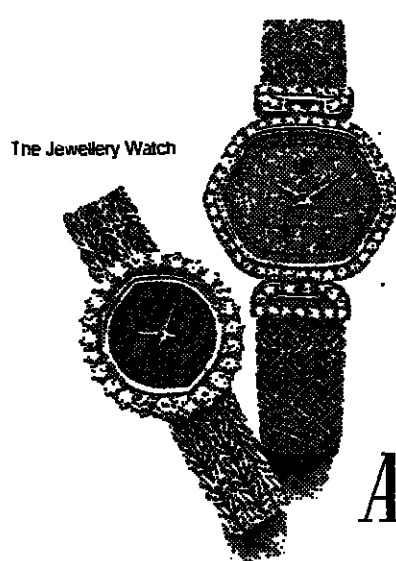
Doisneau, the poet of Paris, brings his tender view of Parisian life to London. His pictures recognize the social importance of such public places as streets and cafes. While many of his contemporaries were traveling the world in pursuit of perfect pictures to define the human race, Doisneau found his pictures at home, by learning and knowing about his favorite subject, people. Svoboda carries the minimal art of the 1960s into photography and achieves symbolic and timeless images by playing with ordinary objects, tables, windows or chairs, and light.

Jean Mohr, Le Trépid Galerie, 4 Rue Michel Chavret, Geneva, May 5 to June 5.

— C.G.CUPIC

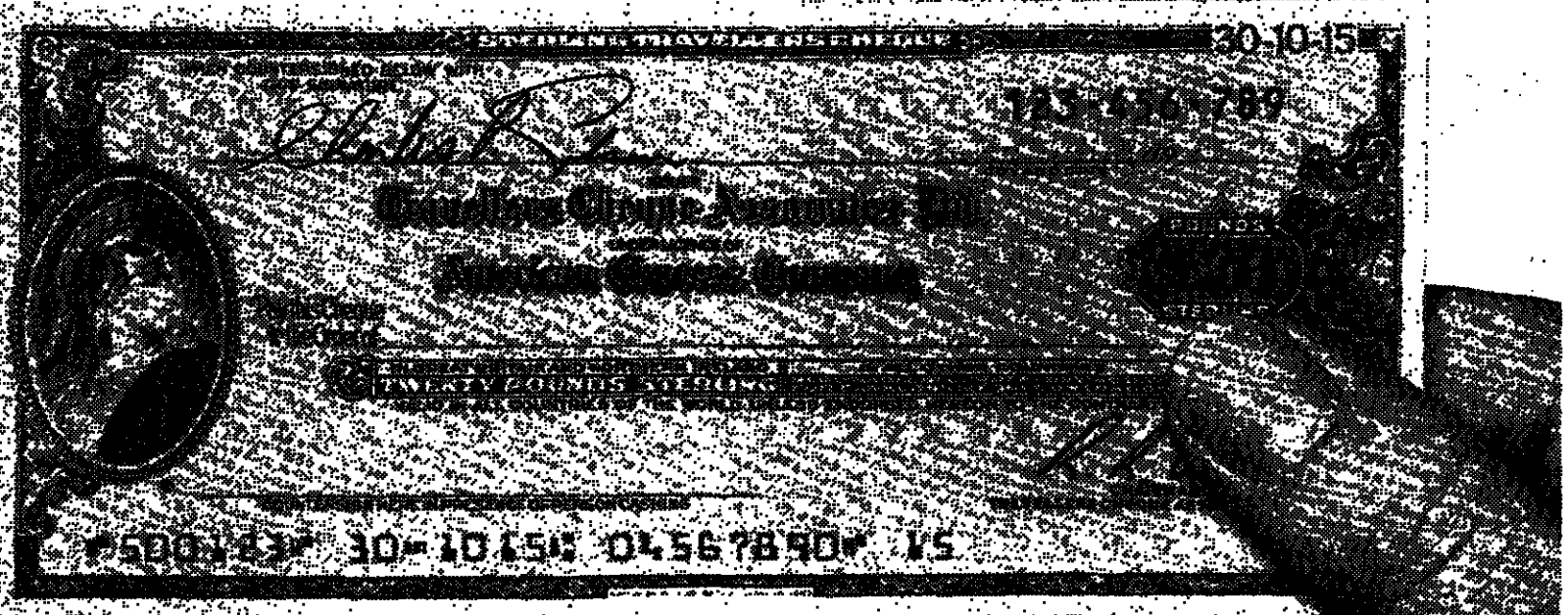


"When I own something so beautiful", she remarked, "I want the world to see it".

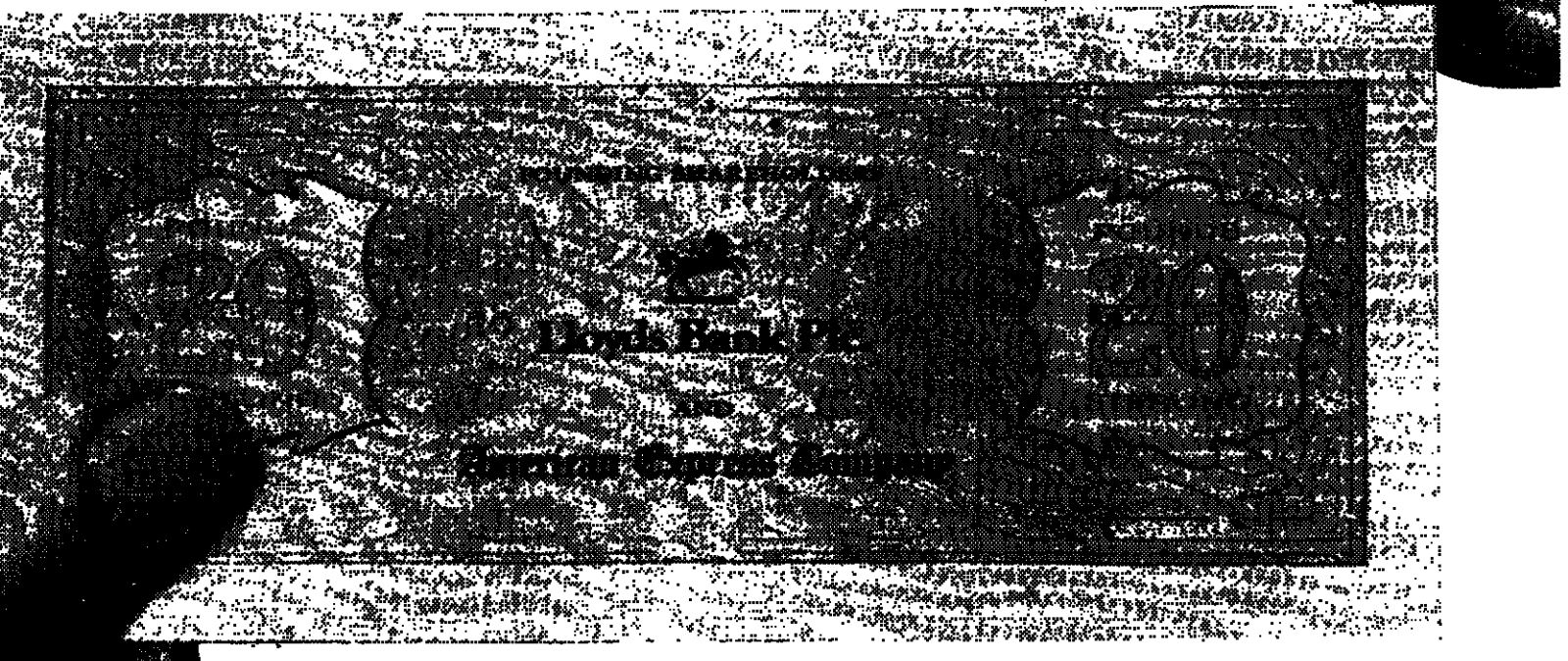


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(Continued on Page 10)



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**BUSINESS NEWS BRIEFS**

Compiled From Agency Dispatches

**U.S. Steel to File Dumping Action**

NEW ORLEANS — U.S. Steel said Monday that it will file unfair trade petitions against South Korea, France, Italy, Brazil and West Germany, alleging that they are exporting steel at unfairly low prices. The so-called anti-dumping petitions are to be filed Friday with the U.S. government, the company told stockholders at the annual meeting here. The government could move to block the imports if it finds that the countries are dumping and that the sales are hurting the U.S. industry. U.S. Steel said it will file countervailing-duty petitions against subsidized welded pipe imported from all five countries and against subsidized plate and sheet imported from South Korea. The company also plans to file multiple actions against foreign exporters of seamless pipe in the next 60 to 90 days.

The U.S. steel market, operating at about 50 percent of capacity, has been crippled by dumped and subsidized imported steel, the company's chairman, David Roderick, said.

**Hoechst Seeks Plastic-Capacity Cuts**

FRANKFURT — Hoechst said Monday that the European plastics industry should appeal to European Economic Community authorities for permission to discuss plans to reduce overcapacity in standard plastics. Rolf Sammet, management board chairman of Hoechst, said at a press conference that the industry needs exemption from anti-cartel rules to hold such talks. For its part, he said, Hoechst plans to scrap a polyethylene plant in Frankfurt and a polystyrene plant in the Netherlands, eliminating capacity of 110,000 metric tons a year.

Mr. Sammet said that preliminary talks on possible EEC action already have been held and that there appears to be a consensus in the industry that some moves are needed.

**InterFirst to Acquire Texas Bank**

DALLAS — InterFirst of Dallas has announced plans to acquire First United Bancorp. of Fort Worth in an exchange of shares valued at about \$280 million.

First United's \$2.4 billion in assets would raise InterFirst's assets to about \$20 billion. InterFirst, known until this year as First International Bancshares, already is the largest bank holding company in the Southwest and 17th largest in the United States.

The merger plan, announced Saturday, is subject to shareholder and regulatory approval.

**Castle & Cooke Omits Dividend**

SAN FRANCISCO — Castle & Cooke said Monday that it will omit the regular quarterly dividend of 20 cents a share and pay a 2.5-percent stock dividend instead.

The food company, which earlier reported that profit in the second quarter of fiscal 1982 fell 50 percent from a year earlier to \$3.1 million, cited depressed earnings and said it wants to conserve cash.

**Du Pont May Defer Sales of Assets**

WILMINGTON — Du Pont may delay its program of asset sales, the company's chairman, Edward G. Jefferson, said at the annual meeting Monday.

Late last year, Du Pont announced plans to obtain at least \$2 billion through the sale of assets, mainly natural resources, by the end of 1984. The plan called for completion of one-third of the program in 1982. Mr. Jefferson said the recession and the recent decline in oil prices have reduced demand for energy reserves, adding: "We do not intend to sell at depressed prices."

**Exxon Withdraws From Largest Shale Oil Project in U.S.**

By Douglas Martin

New York Times Service

NEW YORK — Exxon, the world's largest energy company, has withdrawn from the Colony shale oil project in Colorado, the most ambitious attempt in the United States to produce synthetic fuels commercially.

Exxon, through its Exxon U.S.A. subsidiary, had a 60-percent share in the \$3 billion project, and its action on Sunday appeared certain to doom the endeavor, as Tosco, owner of the remaining 40 percent, immediately said that it "cannot prudently" continue the Colony project alone.

"While construction has been progressing satisfactorily, the estimated probable cost of the project has continued to increase," said Randall Meyer, president of Exxon U.S.A. "Exxon believes the final cost would be more than twice as much as we thought it would be when we entered the project."

Under the operating agreement between Exxon and Tosco, Exxon must buy Tosco's share of Colony, if Tosco said that it did so. Tosco on Sunday said it was exercising the option and that it therefore would receive about \$380 million from Exxon.

Of that amount, about \$80 million will be used to repay loans from the federal Synthetic Fuels Corp. About \$120 million of the total is the amount of Tosco's own investment in the project — a sum that Exxon is also required to provide. Taxes account for \$80 million.

Tosco will realize a net of about \$100 million from the settlement, equal to approximately \$4 a share, Tosco said.

The implication of Exxon's decision, analysts suggested, was that prospects for the development of a U.S. synthetic fuels industry as an alternative to imported petroleum appear to have eroded considerably.

"Synthetics have been indefinitely postponed, maybe never to get off the ground," said John H. Lichblum, president of the Petroleum Industry Research Foundation.

"It's the end of a pretty brief era," added Daniel Yergin, an energy analyst at Harvard University.

Exxon's action, which was based on rising costs at a time when oil

**Tosco Suddenly Must Rethink Its Strategy**

By Thomas C. Hayes

New York Times Service

LOS ANGELES — With its big gamble on shale oil having come to an abrupt end with Exxon's withdrawal from the Colony Shale Oil Project, the embattled Tosco Corp. must now rethink its strategy while combating rebellious shareholders.

The end of Tosco's 20-year, \$120 million investment in the Colony shale project "is a major setback," Morton M. Winston, president and chief executive officer of Tosco, said Sunday. "We don't portray it to ourselves or others any differently."

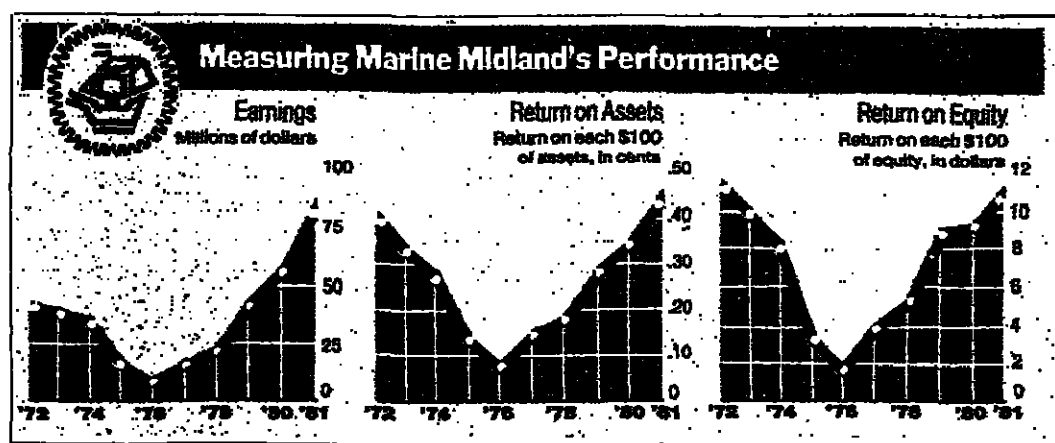
But he said that the nation's second-largest independent oil refiner would continue to rely on refining as its main business, and might increase its activities in the production and refining of heavy oil.

"We are not lacking for investment opportunities," Mr. Winston said. "The heavy-oil production program, for one, has great forward promise. Our work in synthetic fuels goes further than oil shale."

Mr. Winston said he met last Friday with Randall Meyer, president of Exxon U.S.A. "He laid it out right away," Mr. Winston said, referring to Exxon's decision, reached last Wednesday, to end its role in the Colony project.

Of its settlement from Exxon, Tosco said that it would use the cash it received to pay off some of its debt. Mr. Winston said it would pay a portion of the cash to shareholders as a "special distribution." Tosco has never paid a dividend.

Kenneth M. Good, a Colorado land developer who owns 8.8 percent of Tosco's 22.6 million outstanding shares, sued Tosco's man-



**Marine Midland Goes Shopping With Funds From Hongkong Bank**

By Robert A. Bennett

New York Times Service

NEW YORK — Having emerged from a deeply troubled past, Marine Midland Bank is trying to make up for lost time by creating a nationwide federation of commonly owned but autonomous banks.

Armed with capital from Hongkong & Shanghai Banking, which now has a 51-percent interest in the New York bank, Marine is aggressively seeking to buy banks around the United States. Hongkong Bank, one of the most powerful banks in Asia, operates more than 400 offices in 40 countries and is especially strong in the Far East, the Midwest and India.

Because federal law prohibits interstate banking, Marine's purchases cannot be made final until the law changes, but the bank is confident that the change will come fairly soon. Until then, it is holding options to trade nonvoting preferred stock that it owns in the out-of-state banks for common voting stock. If the acquisitions do not go through, the preferred can be redeemed over 20 years.

So far Marine has invested almost \$100 million in two such arrangements, and it has eagerly been combing the Eastern United States, particularly Florida, in search of candidates. It is unwilling to specifically say where it is looking and how much it expects to invest.

"You've got to pick your partners," said Edward W. Duffy, chairman and chief executive officer of the bank holding company, which is the nation's 14th largest and has \$18.7 billion in assets.

"We want to be a leading nationwide bank during the 1990s," said John R. Petty, Marine's president, who earlier this month was named chief executive officer of Marine Midland Bank, the holding company's primary subsidiary. The holding company is based in Buffalo, N.Y., and the bank has two official headquarters, one in Buffalo and one in New York.

Since the capital infusion from Hongkong Bank, Marine has been struggling to bring its earnings up to par with other banks of comparable size. Last year, it ranked 11th out of the nation's 15 largest bank holding companies in terms of return on each \$100 of total

assets. Marine's return was 47 cents, compared with an average of 53 cents.

The company's 1981 results represented a strong turnaround from 1976, for example, when its return on each \$100 of assets was 8 cents, but was still far from its goal of a 60-cent return by 1984.

"You've got the momentum from the turnaround, but now they've got to get into the trenches and try to make it work," said James J. McDermott, vice president and analyst at Keefe, Bruyette & Woods, a securities firm that specializes in bank stocks. "I don't know if it will fly for them."

Although it began to recuperate in 1977, Marine's progress was agonizingly slow because the bank was caught in the vicious circle of needing capital to produce profit and needing profit to produce capital.

For that reason it turned to Hongkong Bank, which in return for a \$236-million injection of capital, obtained control of Marine in 1980 but allowed all senior officers and directors to keep their posts.

Marine's management insists that it operates independently; Hongkong Bank "is aware of our general strategy," Mr. Petty said. But Lawrence W. Cohn, a vice president and bank-stock analyst at Dean Witter Reynolds, said he recently was told by the Asian bank's chairman that Marine will be Hongkong Bank's vehicle for expansion in the United States.

Mr. Duffy said Marine's current approach to forming an interstate unit is the product of the bank's past troubles. "When in the '70s, other banks were buying sales finance and mortgage banking companies across the country, we couldn't do that," he said.

But, even then, Marine continued to have good relations with its correspondent banks in the United States, which has made the current program possible, he said. Marine calls its arrangements "enriched correspondent relationships."

Marine's experience with Hongkong Bank appears to have set the stage for the New York bank's investments in Industrial Valley National Bank of Pennsylvania and Centran of Ohio.

Industrial Valley is the 12th-largest banking com-

(Continued on Page 11)

**McCardell Resigns As Harvester Chief**

From Agency Dispatches

CHICAGO — Archie R. McCardell resigned Monday as head of International Harvester just before the company's union workers ratified \$200 million in contract concessions and new job security.

Mr. McCardell was named to replace Mr. McCardell as chairman and chief executive officer of the farm implement company, which recently restructured nearly \$4 billion in debt. Donald D. Lennox, formerly president of the IH Manufacturing Group, was named president and chief operating officer.

Mr. Menk retired recently as chairman and chief executive officer of Burlington Northern.

The action was taken at a special meeting of the Harvester board.

The United Auto Workers said Monday that its members ratified the new 2½-year agreement with Harvester by a margin of 64.2 percent.

It said the pact, which covers 20,000 active and 10,000 laid-off UAW members, will be in effect through Sept. 30, 1984.

The UAW said the pact includes a profit-sharing plan and a \$1-million operating budget to launch programs for retraining and placement of workers.

Under the new contract, UAW members will forfeit a 3-percent annual wage increase and their quarterly cost-of-living raise.

Mr. McCardell's resignation completes a management shakeup that began when Warren Hayford resigned March 19 as president of the company. Mr. McCardell had assumed Hayford's title.

Harvester said the management change would help secure approval from its lenders for modifications needed in Harvester's financial structure.

The company also announced it plans to cut costs by \$650 million during the current fiscal year — not counting the savings included in the new contract.

Mr. McCardell's tenure as head of one of the nation's largest companies was a troubled one.

He took over in 1977 and as an incentive to lead the company to new heights, was given a bonus of \$1.5 million and a \$1.8 million loan at 6 percent interest to buy 60,000 shares of the company.

That was in addition to his \$450,000 annual salary, and, if Harvester met certain performance criteria, the loan was to be forgiven.

Harvester did well initially under Mr. McCardell. In the fiscal year that ended Oct. 31, 1979, —



Archie R. McCardell

his second year on the job — the company earned \$369.6 million, nearly double the previous year's earnings.

Mr. McCardell became the subject of some stockholder controversy last year as a result of Harvester's decision to "forgive" the loan in 1980.

Harvester has reported losses of almost \$300 million for the first quarter and of more than \$1 billion for the last six quarters.

**Regan Sees Delay in Rate Decline**

Reuters

WASHINGTON — U.S. Treasury Secretary Donald Regan said Monday that interest rates probably will not come down as fast as he had previously thought.

At a Senate appropriations subcommittee hearing, Mr. Regan said, "The economy is flat — dead in the water, or whatever analogy you want to use." However, he said he still believes that the recovery should start in the second half of this year, "and you should see signs of that before this summer."

Because of the lack of agreement on the federal budget, the Treasury secretary said, "the recovery might be a little less robust... And there may be a little delay in interest rates coming down as fast as we thought they would."

His comments were in line with those he made last week after the budget talks broke off with no agreement. He had warned that the recovery, when it comes, probably will not be as strong as expected because of the lack of an agreement on how to trim the large projected federal budget deficits.

After the hearing, Mr. Regan would not be pinned down on when he thought the first signs of recovery would appear. However, he said he expected the first signs to show up in inventory accumulation.

During the hearing on the Treasury budget, Mr. Regan said he is coming more to the view that, instead of the current tax system, the United States should have a lower, flat tax rate on income without any provision for deductions.

"A flat tax has a lot going for it," Mr. Regan said. He said he is currently considering various proposals that have been suggested for a lower flat tax.

Separately, the Commerce Department reported that U.S. construction spending fell 0.8 percent in April.

Analysts said stocks appeared to strengthen as bond prices rallied during the afternoon. However, the relatively slow trading indicated that many investors stayed on the sidelines because of poor earnings reports, high interest rates, huge projected budget deficits, the recession and tension over the Falklands dispute.

The market actually performed very well today considering all the background pressures it came under," said Michael Metz of Oppenheimer.

Traders were dismayed by reports the Federal Reserve has tightened credit, and some short-

term interest rates rose as a result. The rate on federal funds, overnight reserves banks lend one another, reached a high of 15.625 percent after opening at 14.875 percent. Few analysts were surprised, however, by Friday's report of a \$1.9-billion rise in the nation's money supply.

U.S. Trust said Monday that it has lowered its broker loan rate to 15.5 percent from 16 percent. The rate ranges from 15.5 to 16.5 percent at large banks.

As the budget dispute dragged on, President Reagan and Republican congressional leaders met for an hour in an effort to find a unified negotiating position. Senate Majority Leader Howard Baker told reporters. Budget talks between the White House and Congress broke down last week.

As for the negotiating points offered last week by the White House, Sen. Baker said, "the president is willing to put those items one at a time back on the table." He said Mr. Reagan's position was one of "a lot of give-and-take and a lot of room to negotiate."

Investors fear that interest rates will stay high unless Mr. Reagan and Congress can agree on a way to reduce the budget deficits projected for fiscal 1983 and beyond.

In late trading, Tectron, the conglomerate with large defense capabilities, was one of the most active NYSE-listed issues after a block of 542,700 shares was traded at 21½.

American Telephone & Telegraph made the list with blocks of 115,000 shares and 100,000 shares, both at 54½.

**Wall Street Pulls Out Of a Morning Slump**

From Agency Dispatches

NEW YORK — Prices on the New York Stock Exchange turned around after a sharp early slide and closed narrowly higher, but the slow trading indicated that many investors avoided the market altogether.

The Dow Jones industrial average closed with a gain of 0.67 point to 849.03 after dropping about 7.5 points in the first hour of trading. Advances led declines by around 700 to 680, and volume fell to 46 million shares from 48.2 million Friday.

Ex-dividend trading of stocks that are figured into the industrial average accounted for 3.3 points of the early decline.

Despite a 3.42-point gain Friday, the industrials lost 13.80 points last week, ending a six-week rally.

On the American Stock Exchange Monday, prices were slightly lower in moderate dealings.

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**Mexico Seen Accepting OPEC Observer Role**

By Douglas Martin

New York Times Service

NEW YORK — In a move that could be a step toward OPEC membership, Mexico has agreed to accept observer status in the cartel, according to Petroleum Intelligence Weekly, a trade publication.

The publication, which cited no specific sources, said in Monday's edition that Venezuela would sponsor Mexico and make the formal nomination at OPEC's next scheduled meeting, in Quito, Ecuador, on May 20.

Marija Tarre, oil attaché in Venezuela's embassy in Washington, said she was unaware of any change in Mexico's policy but indicated that Caracas has long wanted to bring Mexico closer to OPEC. Mexican officials could not be reached by telephone.

If Mexico joined, it would be the second largest producer in OPEC after Saudi Arabia. Mexico and Venezuela compete vigorously for sales to markets on the East Coast of the United States.

Mexico has reported major discoveries in the southern part of the country in recent years. Since 1974, its production has surged to an average of about 2.5 million barrels a day from 653,000. At the same time, Mexico has gone from

being an oil importer to becoming an exporter of about a million barrels a day.

Although Mexico has often followed OPEC's pricing structure, analysts say it has chosen to avoid the responsibilities of full membership, which would presumably include participation in OPEC's current policy of limiting worldwide production to less than 17.5 million barrels a day.

In April, Mexico lowered its export ceiling to 1.25 million barrels a day from 1.5 million, apparently to demonstrate its endorsement of OPEC's decision in March to bolster prices by restricting production.

Even so, Mexico has been able to export only about a million barrels a day, making the move wholly symbolic, according to Petroleum Intelligence Weekly.

Feeling Snubbed

OPEC states themselves have not been able to meet even their reduced production ceilings. Recently, Sheikh Mana Said al-Otaibi, president of OPEC and the oil minister of the United Arab Emirates, said the group's daily output had plunged to less than 16 million barrels, more than a million under the official ceiling.

Latin American nations have lost influence in OPEC in recent

years, analysts say. A decade ago, their oil output was about half that of Middle Eastern nations, but the proportion has since fallen to less than a third.

"The Latin Americans have felt snubbed in recent years," said James Tanner, editor of Petroleum Information International, another

trade publication. "They feel they have lost strength in OPEC."

Mexico would not be the first nation to receive nonvoting status in OPEC. Other oil-producing countries, including Bolivia, Colombia, Congo, Peru and Trinidad and Tobago, have been granted such a role.

**CURRENCY RATES**

Interbank exchange rates for May 3, 1982, excluding bank service charges.

	\$	£	D.M.	F.F.	N.L.	Sfr.	Y.P.	S.F.	D.K.
Amsterdam (a)	2.5785	4.458	116.945	42.955	0.1999	5.884	122.7	28.5	
Bombay (b)	2.25	4.2265				18.028			
London (c)									
Paris (d)	1.2012	2.2024	555.33	213.21		59.65	39.475	66.37	144.15
New York (e)		1.8155	6.479	0.1648	0.0714	0.2822	0.0227	0.0284	0.0284
Frankfurt (f)	4.6525	10.7515	268.54	4.6215	23.07	13.05	32.84	74.97	24.95
Zurich (g)	1.4002	2.534	63.31	32.00	0.1502	74.98	4.6822		
1 ECU	1.2275	0.5885	2.3075	0.2135	126.76	2.649	45.916	1.913	0.0722
1 SDR	1.1312	N.A.	2.2274	0.2484	149.43	2.9146	N.A.	2.1947	0.0722

	\$	£	D.M.	F.F.	N.L.	Sfr.	Y.P.	S.F.	D.K.
1 ECU	1.2275	0.5885	2.3075	0.2135	126.76	2.649	45.916	1.913	0.0722
1 SDR	1.1312	N.A.	2.2274	0.2484	149.43	2.9146	N.A.	2.1947	0.0722

(a) Commercial bank. (b) Amounts needed to buy one pound. (c) Units of 100. (d) Units of 100. (e) Units of 100. (f) Units of 100. (g) Units of 100.

All of these Securities have been offered outside the United States. This announcement appears as a matter of record only.

New Issue / April 27, 1982

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## High Court Says Futures Brokers Face Private Suit

**COLOGNE** — Wage costs in the West German manufacturing industry rose to an average 25.03 Deutsche marks an hour in 1981 from 23.40 DM in 1980, the Institute of German Economy said Monday.

Much of the dispute stemmed from the most significant scandal in the recent history of commodity futures trading — the default by two leading potato processors, J.R. Simplot and P.R. Taggares, on contracts to deliver approximately 100 million pounds of potatoes in May, 1976.

**Lambsdorff's View**

West Germany's economics minister, Hans-Ludwig Lambsdorff, said Monday that he expects economic growth in 1982 to be about 1.5 percent, below the 2.5 percent target of the government's forecast. Mr. Lambsdorff gave no precise forecast, but in a speech last month he said he was holding to a government forecast that GNP — the total value of the nation's output of goods and services — would rise 1 to 1.5 percent.

The country's newly appointed finance minister, Manfred Lahnsteiner, said Monday that there are signs of a gradual upswing in the economy over the next year and that growth may be at least 1 percent.

The five institutes predicted a surplus in the current year of about five billion Deutsche marks.



The country's jobless rate fell to 8.1 percent in February after setting a 27-year high of 8.2 percent in January.

Mr. Lahnstein agreed with the forecast that inflation will slow. But, he said, referring to the unemployment forecast, "The improvement in conditions is not sufficient yet to cause any relaxation in the employment market this year."

## Zimbabwe Controls Prices

*Reuters*  
HARARE, Zimbabwe — The Zimbabwe government Monday announced price controls — ranging from no change to controlled markups of as much as 65 percent.

Si Usted desea solicitar el consejo de un abogado en este asunto, debería hacerlo inmediatamente, de esta manera, su respuesta escrita, si hay alguna, puede ser registrada a tiempo.

**Si Usted desea solicitar el consejo de un abogado en este asunto, debería hacerlo inmediatamente, de esta manera, su respuesta escrita, si hay alguna, puede ser registrada a tiempo.**

**COLOGNE** — Wage costs in the West German manufacturing industry rose to an average 25.03 Deutsche marks an hour in 1981 from 23.40 DM in 1980, the Institute of German Economy said Monday.

cant scandal in the recent history of commodity futures trading — the default by two leading potato processors, J.R. Simplot and P.R. Taggares, on contracts to deliver approximately 100 million pounds of potatoes in May, 1976.

(Continued from Page 9)

pany in Pennsylvania, with 48 offices throughout the southeastern part of the state. Centran, which has \$3 billion in assets, owns the Central National Bank of Cleveland and five other Ohio banks.

**Overcapitalized?** Mr. Doury, 35 years old, is basically a country boy who rose from the ranks of one of Marine's relatively small affiliates, in Water-town, N.Y. He lacks the image of a big-time banker, but officers say there is no doubt he is strongly in command, has been chiefly re-

Hongkong Bank seems to be continuing to supply Marine with an abundant amount of long-term capital to finance additional acquisitions. In March, for example, the Asian bank lent Marine another \$50 million for 10 years, even though the U.S. bank has not made full use of the previous injection of capital. "It could be said that Marine is overcapitalized," says a source.

An unusual feature of the bank is the persistence of two distinct personality types among its senior management: the country-style banker, represented at the holding

company by the chairman, and the responsible for the comeback and is Marine's link with Hongkong Bank.

Mr. Petty, 52, who joined Marine in 1976, had been a partner in Lehman Brothers Kuhn Loeb and before that had spent six years in the Treasury Department under Presidents Johnson and Nixon. Between 1968 and 1972 he was assistant secretary for international affairs.

Another senior executive vice president, 41-year-old W. James Tozer Jr., spent most of his career at Citicorp and has developed a highly sophisticated strategy for

Marine's former senior officers. "day," he continued, "we don't dreamers, we have professional managers who want to get ahead."

**Coca-Cola Gets Approval**

*Reuters*

**HOUSTON** — Coca-Cola stockholders Monday approved the acquisition of Columbia Pictures Industries. Coca-Cola said at its annual meeting that 83.5 million shares, or 80% of the company's transaction, 6.9 million were withheld and 4.6 million were

Eugene T. Mann, 51, another senior executive vice president, falls among Marine's more earthy types and, in fact, has moved to Buffalo, to which he has developed a strong loyalty. He boasts of having "repossessed cars in Flushing" and of having "opened a hot dog stand in the Rockaways" before he joined Marine.

"We have had our dreamers who thought they could do exotic things," Mr. Mann said of Marine's former senior officers. "Today," he continued, "we don't have dreamers, we have professional managers who want to get ahead."

## Coca-Cola Gets Approval

*Readers*

**HOUSTON** — Coca-Cola stockholders Monday approved the acquisition of Columbia Pictures Industries, Inc., by a 99 percent vote.

industries. Coca-Cola said at its annual meeting that 83.3 million shares were voted in favor of the transaction, 6.9 million were voted against it and 4.6 million abstained.

*This announcement appears as a matter of record only.*

**ennia** nv

## The Hague. The Netherlands

**U.S. \$ 60,000,000**

15½% Notes 1982 due May 1, 1987

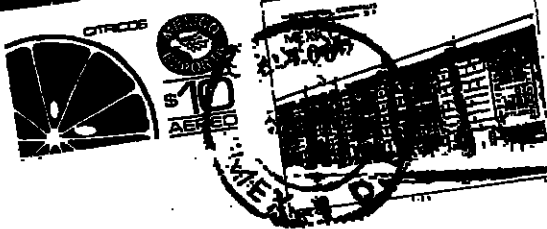
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**Kredietbank S. A. Luxembourgaise**

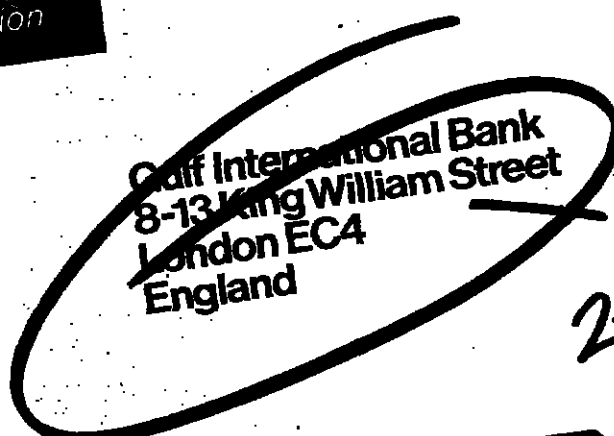
**Algemene Bank Nederland N.V.**  
**Deutsche Bank Aktiengesellschaft**

**Morgan Guaranty Ltd**  
**J. Henry Schroder Wagg & Co. Limited**  
**Swiss Bank Corporation International Limited**

May 4, 1982 -

By air mail  
 Per avion






**Gulf International Bank**  
 8-13 King William Street  
 London EC4  
 England

**MOVED TO**  
**2-6 Cannon Street**  
**London EC4M 6XP**

The London branch of  
**Gulf International Bank B.S.C.**  
 will move from 8-13 King William Street,  
 London, EC4P 4LD to new premises  
 at 2-6 Cannon Street,  
 London, EC4M 6XP,  
 on Tuesday,  
 4 May, 1982.



**Gulf International Bank S.C.**

**Gulf International Bank B.S.C.**

London: 2-6 Cannon Street, London, EC4M 6XP.

Telephone: 01-248 6411 (20 lines)

Telex: 8812889/8813326 GIBANK G

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## U.S. COMMODITY PRICES

Chicago Futures			
Open	High	Low	Settle
May 3, 1982			
WHEAT			
Open	High	Low	Settle
May 3, 1982			
CORN			
Open	High	Low	Settle
May 3, 1982			
SOYBEANS			
Open	High	Low	Settle
May 3, 1982			
CATTLE			
Open	High	Low	Settle
May 3, 1982			
PORK			
Open	High	Low	Settle
May 3, 1982			
LUMBER			
Open	High	Low	Settle
May 3, 1982			
METALS			
Open	High	Low	Settle
May 3, 1982			

## New York Futures

May 3, 1982

Open High Low Settle

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## Monday's

New Highs and Lows

NEW HIGHS—45

NEW LOWS—30

NEW HIGHS—45

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NEW HIGHS—45

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## Economic Slump Slowing in U.S., Purchasers Say

NEW YORK — The U.S. economy continued to weaken in April, but at a slower rate than in March, the National Association of Purchasing Management said Monday in its monthly survey on business.

It said its purchasing managers' composite index registered 40.2 percent in April, up from 37.4 percent in March. It noted that a reading below 50 percent indicates the economy is in a declining phase.

Charles T. Haffey, chairman of the association's survey committee, said that the only bright sign in the report was that the number of members reporting lower prices increased to 34 percent in April from 33 percent in March, the highest in 30 years.

The members said that only 17 percent of their companies were operating at 90 percent of normal capacity, the lowest reading in 21 years. Mr. Haffey added that the number indicating a production rate of below 50 percent was the highest since May, 1961.

The report showed that while there was no improvement in the rate of change between March and April, incoming orders, production and employment continued to deteriorate. Furthermore, inventory liquidation continued in April, with 39 percent describing lower stock, down from 45 percent in March.

## Commodity Indexes

May 3, 1982

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## THE COMPANIES LAW

(Cap. 22)

THE NUGAN HAND BANK

(In Liquidation)

NOTICE IS HEREBY GIVEN that the creditors of the Company are required to submit their claims to the Liquidator of the Company, Mr. J. H. Nugan, at his office, 100, Queen's Road, Central, Hong Kong, on or before May 31, 1982, in order to be considered for payment.

The Liquidator of the Company, Mr. J. H. Nugan, is a member of the Hong Kong Institute of Chartered Accountants and is a member of the Hong Kong Institute of Directors.

DATED this 16th day of March 1982.

J. H. Nugan, Liquidator.

P.O. Box 279, Grand Canyon, B.V.I.

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## OPTIONEN

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# Lakers Oust Suns: Celtics, Spurs, 76ers Stretch Leads

PHOENIX, Ariz. — Parviz "Magic" Johnson scored six straight points late in the fourth quarter and the Los Angeles Lakers held on for a 112-107 victory Sunday over the Phoenix Suns to sweep their National Basketball Association playoff series.

Los Angeles, by winning the best-of-seven Western Conference semifinals in four straight, will meet the winner of the Seattle-San Antonio series, where the Spurs widened their lead by defeating the SuperSonics, 115-113.

In the Eastern Conference semifinals, Philadelphia topped Milwaukee, 109-93, and Boston defeated Washington, 103-99, as both victories took 3-1 series leads. The three semifinal series resume Wednesday.

Johnson, who had keyed the Lakers' previous victories, broke a 100-100 tie on a tap-in with 5:13 to go. Then he hit two free throws and a layup in a 16-second span to put Los Angeles up 106-100 with 3:41 remaining.

Johnson's offensive rebound set up Jamal Wilkes' jumper with 1:43 to go, and a Norm Nixon free throw made it 108-102.

Johnson, who had a game-high 31 points for Phoenix, finished off a three-point play to narrow the Suns' deficit to 108-105 with 48 seconds left.

But two free throws by Kareem Abdul-Jabbar at the 18 second mark and one by Johnson with six seconds left sealed the Lakers victory.

"I didn't think they could beat us," Johnson said. "We would have had to beat ourselves."

Johnson, who played an outstanding basketball, said Phoenix coach John MacLeod. "We were never able to get a lead on them, to get them to play catch-up with us."

## NHL Playoffs

### CONFERENCE FINALS (Best-of-seven)

Wales Conference

Apr. 27 — N.Y. Islanders vs. Quebec

Apr. 28 — N.Y. Islanders vs. Quebec

Apr. 29 — N.Y. Islanders vs. Quebec

May 1 — N.Y. Islanders vs. Quebec

May 2 — N.Y. Islanders vs. Quebec

May 3 — N.Y. Islanders vs. Quebec

May 4 — N.Y. Islanders vs. Quebec

May 5 — N.Y. Islanders vs. Quebec

May 6 — N.Y. Islanders vs. Quebec

May 7 — N.Y. Islanders vs. Quebec

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May 30 — N.Y. Islanders vs. Quebec

May 31 — N.Y. Islanders vs. Quebec

June 1 — N.Y. Islanders vs. Quebec

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June 3 — N.Y. Islanders vs. Quebec

June 4 — N.Y. Islanders vs. Quebec

June 5 — N.Y. Islanders vs. Quebec

June 6 — N.Y. Islanders vs. Quebec

June 7 — N.Y. Islanders vs. Quebec

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June 9 — N.Y. Islanders vs. Quebec

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June 18 — N.Y. Islanders vs. Quebec

June 19 — N.Y. Islanders vs. Quebec

Abdul-Jabbar and Wilkes wound up with 24 points apiece, while Nixon had 17 and Johnson 15.

Walter Davis scored 18 points for Phoenix. Alvin Adams and rookie Larry Nance had 16 each.

At San Antonio, Texas, Spurs' backup center Dave Corzine sank four free throws in the last 30 seconds to anchor San Antonio's victory.

Corzine, who wound up with 17 points and pulled down some key rebounds in the stretch, put San Antonio ahead to stay with 30 seconds left with two free throws after the lead had changed hands 17 times and the score was tied 23 times.

With 18 seconds remaining, Corzine hit two more free throws to make the score 113-110. Mike Bratz, who also had 17 points, added two more insurance free throws with six seconds left to put San Antonio ahead 115-110.

Gus Williams, who led all scorers with 33 points, connected on a three-point shot at the buzzer to account for the final score.

At Milwaukee, Julius Erving poured in 21 points and Caldwell Jones matched his single-game high for the season with 20 in the Philadelphia 76ers' victory.

Bobby Jones sparked a late surge by scoring 10 of his 18 points in the fourth quarter for the 76ers.

"It seemed like Milwaukee burned out a little," Erving said. "They had to play people a lot of minutes yesterday, and I think you could feel that late in the game today."

The weary Bucks, who have lost guard Quinn Buckner and swingman Junior Bridgeman for the season because of injuries, won Saturday's game 92-91. But in the process they played five players — Marquese Johnson, Mickey Johnson, Bob Lanier, Brian Winters and Moncrief — an average of 42 minutes apiece.

Marques Johnson scored 23 to lead the Bucks.

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Pirate catcher Steve Nicosia can only watch the ball bounce away as Terry Puhl of the Astros slides home safely. The Astros won, 6-2, for their third straight victory in Pittsburgh.

# White Sox' Hoyt Wins 10th Straight Game

From Agency Dispatches  
CHICAGO — Lamarr Hoyt became the major's first five game winner Sunday pitching the Chicago White Sox to a 10-3 victory over the Detroit Tigers. Harold Baines led a 12-hit Chicago assault, driving in three runs.

Hoyt, a former relief pitcher, has won 10 straight games since losing Aug. 15, 1981. Of the last six games the White Sox have won, Hoyt has won five.

In Minneapolis, switch-hitting Ted Simmons hit two three-run homers, one from each side of the plate, and Gorman Thomas added a solo shot as the Milwaukee crushed Minnesota, 11-4.

In Baltimore, Eddie Murray hit two doubles, drove in a run and scored one and Scott McGregor recorded his 10th straight victory over California as Baltimore defeated the Angels, 6-4.

In Cleveland, Jeff Newman belted a two-run homer and Mike Norris pitched a four-hitter, sparking Oakland to a 5-2 win over Cleveland and a sweep of their three-game series.

In New York, Dave Winfield lined a single off third base to score Willie Randolph and spark a three-run eighth, lifting Ron Guidry and New York to a 4-2 victory over Seattle.

In Pittsburgh, Jose Cruz and Art Howe each drove in two runs and Joe Niekro and Randy Moffitt combined on a five-hitter as Houston beat Pittsburgh, 6-2.

In Cincinnati, Eddie Milner and Ron Oester, the first two men in the Reds' batting order, accounted for six hits and scored four runs as Cincinnati defeated St. Louis, 5-1, in the first game of a doubleheader.

In the second, John Martin allowed only one hit over the first eight innings as the Cardinals beat the Reds, 6-4, to end a streak of three straight losses to the Reds.

In Kansas City, Mo., Lloyd Mossby and Willie Uppshaw each knocked in two runs and Damaso Garcia scored twice as Toronto beat Kansas City, 7-5.

In the National League, in Los Angeles, Montreal pounded out 17 hits, including four by Andre Dawson, to overwhelm Los Angeles, 13-1.

In San Francisco, Chili Davis and Darrell Evans homered in the opener to lead San Francisco to its fifth straight victory, 4-3 over New York. But John Stearns' two-run homer in the eighth ended Giant

## Major League Standings

### NATIONAL LEAGUE

#### Eastern Division

Team	W	L	Pct.	GB
St. Louis	15	9	.625	—
Montreal	11	8	.579	1½
New York	11	12	.476	3½
Pittsburgh	8	12	.400	5
Philadelphia	9	15	.369	6½
Cincinnati	14	13	.519	—

#### Western Division

Team	W	L	Pct.	GB
Atlanta	17	6	.739	—
San Diego	14	7	.667	2
Los Angeles	11	17	.442	6
San Francisco	11	12	.476	4
Houston	11	14	.438	7
Cincinnati	14	13	.519	—

### AMERICAN LEAGUE

#### Eastern Division

Team	W	L	Pct.	GB
Boston	15	9	.625	—
Detroit	14	8	.636	1½
Milwaukee	11	9	.550	2½
New York	11	11	.495	4
Toronto	9	13	.409	6
Cleveland	8	12	.400	7
Baltimore	10	13	.435	7½

#### Western Division

Team	W	L	Pct.	GB
California	14	8	.636	—
Kansas City	12	10	.545	2
Chicago	12	9	.571	2½
Oakland	11	11	.500	4
Seattle	11	14	.438	5½
Minnesota	6	13	.310	7½

## Sunday's Baseball Line Scores

### NATIONAL LEAGUE

#### First Game

Walloch (7) and Trevino. W—Leibrandt, Mura, 2-2.	Walloch (1).	AMERICAN LEAGUE
Second Game	Texes	800 00
100 800 500—6 8 8	Boston	501 00
000 000 004—4 5 1	Medich, Wallack (1) and Sundbe	
001 and Trevino: Belin	and Gubernan, 2-1.	



## Art Buchwald

## Deficient Thinking

WASHINGTON — One of the things the American people pay their president and their legislators for is to handle the United States budget. It's a messy job and most of us are too busy to deal with it.

That's why there has been a lot of anger by the average citizen over the impasse between the administration and Congress.

Klondike, my milkman, told me, "I can't deal with it. Why is the president appealing to me?"

"He has no other else to turn," I told him. "Reagan's offered to go the extra mile, but the Democrats won't let him walk it."

"What's the problem?" "It's a question of philosophical differences, based on the fact that the Democrats want to cut the deficit and Republicans want to give everyone a tax cut."

"I thought the president said when he was running for office the Democrats were for big deficits and the Republicans were against them."

"He did say that, but now that

he's seen the size of the deficit for next year, he's changed his mind."

"How big is the deficit going to be?"

"The Democrats say \$180 billion."

"How much will they settle for?"

"Not one nickel more than \$100 billion. Reagan has offered to split the difference, but Tip O'Neill said the deficit is not negotiable."

"Which figure do you like?"

"I've never been one for big government deficits," I admitted, "but I guess I could live with \$110 billion if it would make everyone happy."

Klondike asked, "Why can't Reagan and Congress live with it?"

"Because we've never had that kind of deficit before. The Democrats predict if Reagan doesn't slash defense spending and eliminate his 10 percent tax cuts, the deficit will grow to \$216 billion in 1984 and \$233 billion in 1985."

"That's a lot of bread. What is Reagan's answer?"

"He says the only way you can cut the deficit is by getting the economy going again, and the only way you can get the economy rolling is to give everyone the tax cut, and build a strong defense for America."

"It makes sense to me," Klondike said. "Maybe I might go along with a \$150-billion deficit if that would make Reagan happy."

"But if we have a \$150-billion deficit," I said, "that means the government will have to borrow money from the people and interest rates will soar and there won't be any capital left for getting private industry back on its feet. At least that's what the Democrats claim."

"What does Reagan say to that?"

"He says the Democrats are just trying to make him look bad, so they'll win the 1982 elections."

"Why would they want to do that?"

"How do I know?" I said testily. "The question is, Klondike, what are you going to do about the U.S. budget for 1983?"

"Why is it my problem?"

"Because Reagan's thrown it in your lap."

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## Antonio Olinto: A Tale Of a Return to Africa

By Elaine Davenport

LONDON — Eight years before Alex Haley published his blockbuster, "Roots," a little-known Brazilian author, Antonio Olinto, wrote a similar novel exploring his country's heritage, called "The Water House."

Like "Roots," "The Water House" is the saga of freed slaves and their West African background — but Olinto's former slaves were Brazilian, and he did not make a fortune.

Indeed, when Olinto's book was first published here in 1970 in an English translation from Portuguese, it "died," according to Van Milne, the editor who has just reissued it in paperback for his Panafrika Library.

Now, however, Milne says. "The timing is right, especially for the African market. It's a notable work and very sophisticated." And with Olinto also receiving offers to film the epic, "The Water House" at last seems poised to win some popular recognition.

Olinto knew that Haley had read "The Water House" before he wrote "Roots," and some of Olinto's friends had pointed out the similarities. But Olinto remains convinced that the two books are "entirely different."

Haley may have gotten inspiration from his book, but anyone can have an idea, he said equally in a recent interview here.

His novel traces the path of Mariana Silva, freed from slavery as a child in Brazil, through her nightmarish six-month journey by ship to Lagos, her family's home in what is now Nigeria. Mariana becomes a matriarchal figure, grows wealthy and builds the Water House, which symbolizes her success.

"The African Negroes went to Brazil," says the diminutive Olinto, "and took the African culture. Then their descendants went back to Africa taking the Brazilian culture to Africa. What a mixture."

Olinto knows Lagos well, having opened the Brazilian Embassy there in 1961-2 and remained as cultural attaché. During his three-year tour he met some of the old slaves, who still spoke Portuguese and sang Brazilian songs. He eventually assembled the family trees of about 500 of them.

The character Mariana is based on one of them — Romana da Conceição, whom Olinto and his wife befriended. "We loved her," says Olinto, "and took her to Brazil for three months. In Lagos, the Union of Brazilian Descendants has the motto 'White there is bread there is hope.' That hope is to one day see Brazil — not return for good — and we gave Romana that chance."

Olinto's first stab at his subject was a nonfiction book called "Brazilians in Africa." "I knew a few anti-apologists and people interested in African politics would read it," Olinto says, "but it would never be read by thousands."

For five years he thought about writing it

as a novel. "A novel conveys feelings much better," says Olinto. "The novel has no commitment to reality or facts. It is an idea of how good and of how bad people can be, and by giving an idea of the heights and depths a human can reach, the author lets the reader feel the reality much better."

Finally, in 1968, he took three months off, went to Rio de Janeiro and wrote a thousand words a day until "The Water House" was finished. "I had finally decided that I had to do it," says Olinto. "Even if I was tired or had drunk a bit too much that evening, I would still go home and write."

"The Water House" is written in a poetic called *oriki*, which Olinto compares to style. *Oriki* derives from the Yoruba language, spoken in parts of West Africa.

"Most primitive nations speak in poetry rather than prose," Olinto explains. "When you come here today, for example, I said, 'Good morning, how are you?' But if I had said 'Oh you who come from the rain with your green eyes, be happy in my house,' that would be *oriki*. The ex-slaves in Lagos use either a traditional *oriki* or they invent one. Romana spoke only *oriki* in her day-to-day life."

For an English-language book, this style is a departure. "Brazilian and Nigerian writers by and large have spurned that characteristic of their language because they want to be accepted like an English author," Olinto says. "It's quite natural and I'm not against it, but the *oriki* is so strong and such a beautiful way of speaking that I took it as a base. I am a poet too, so it was perhaps easy for me to feel the novel as a poem."

The *oriki* style is one reason for the book's cult popularity. "Twelve years ago the African market would have reacted against it," Milne says. "Now it's seen as genuine."

Olinto, who will be 63 next Monday, left government service a decade ago and now commutes between London, where he teaches Latin American literature and edits a small newspaper, and Rio, where he immerses himself in his own country and recharges his batteries on Copacabana Beach.

His London apartment in Paddington is stuffed with Brazilian good-luck symbols and musical instruments of African origin, and with bright Brazilian tapestries and paintings. His wife, Zora, makes an excellent *cafézinho* — the strong, sweet coffee served in Brazil.

The prolific Olinto has written 21 books, four of which are novels. But "The Water House" is "very much part of me," he says. "I think something took possession of me when I wrote it. But then Africa is addictive for a Brazilian anyway."

One reason is the strong cultural heritage that the Africans retained in Brazil. During one of Olinto's stints lecturing on Brazilian Negro culture at New York's Columbia University, he was, he says, often asked why



Antonio Olinto: A poetic style

black culture had thrived in Brazil but had been mostly lost in the United States.

"My explanation is that 50 million years ago the continents of South America and Africa were together," says Olinto. "Driving along the eastern Brazilian coast and the West African coast provides exactly the same experience. Everything — land, trees, weather — is the same. So when the Negro left West Africa to go to Brazil, he did not have to change. But he did when he went to the U.S. The explanation is ecological."

Once again, Africa has lured Olinto. He has been asked to write a book commemorating the arrival 500 years ago of the Portuguese in Warri, a town on the delta of the Niger River.

The story he will tell is of the Prince of Warri, who went to Portugal, attended the University of Coimbra and married a Portuguese noblewoman. He returned to Africa 10 years later with his wife, four ladies-in-waiting, three priests and two servants.

Olinto's research so far has turned up 11 previously undiscovered documents on the prince. But he was unable to discover how the Portuguese and the natives felt about this incident of cross-culture. He is considering writing a factual book that also speculates on the unknown human facets of the story.

He is, in fact, developing a specialty in cross-cultural literature. Another book in the works is already 300,000 words long and traces a Brazilian family from 1790 to its emigration to Europe in 1968. It will end in 1982 when its members return to Brazil. Olinto's crossed cultures do not, however, run to writing in both Portuguese and English. "I have tried but just can't write in English," he laughs. "I think in Portuguese and end up writing in Brazilian English."

He no longer tries for fear of spoiling his Portuguese, but remains dedicated to the new material of his writing. "The particular language is not all that important," Olinto says. "What you have to love is words."

## PEOPLE: Randolph Hearst Weds An Italian-Born Woman

Randolph A. Hearst, chairman of the board of Hearst Corp. and president of The San Francisco Examiner, was married to Maria C. Scroggins in a ceremony at his home in Hillsborough, Calif. The bride was born in Rome and has lived in the United States for 24 years, the last 14 in San Mateo County, Calif. Hearst was recently divorced from his wife of 41 years, Catherine. . . . A daughter of the Count of Paris, pretender to the French throne has married an American who heads a publishing company in Charleston, S.C. Claude de France, Princesse d'Orléans, married Amédée La Cagna in Port-au-Prince, Haiti, on April 27 but the marriage has just been disclosed. The bride is the youngest daughter among the 10 children of Henri Robert Ferdinand Marie Louis-Philippe d'Orléans, Comte de Paris, whose royal lineage dates back hundreds of years. She was born in Monaco where her parents were in exile during World War II. Claude de France previously was married to the Duke of Aosta, a cousin of former King Umberto of Italy. La Cagna was born in Rome and was a correspondent for NBC News in the Middle East in the 1960s. He has two previous wives, and in recent years made his home in Italy, producing wine. He now is president of a Charleston publishing company. The couple will live in Charleston.

with Alvin Nikolais, the multimedia dance choreographer, as he was presented with the 31st annual Capzio Dance Award in a ceremony at the Juilliard School in Manhattan. "If there's a National Dance Week, why not a National Bunch Week?" said Walter Terry, the dance writer, who was master of ceremonies. He urged the audience to petition President Reagan to proclaim a National Dance Week. Nikolais recalled that in his hometown of Southampton, Conn., if you said the word "art," they'd ask, "Art who?" His first experience of dance was a performance by Mary Wigman, the German expressionist modern-dance choreographer. "I understood her," he said, "and couldn't understand why. In my youth, I never hoped to get beyond Hartford. I certainly never thought I'd live to see the phenomenon that exists today, when even a person in this country with a population of 50,000 or over has the conviction of 'The Nutcracker' and dream come true. Every American can now be a prince or a princess."

Wash., and her daughter, a teacher, an assertive training teacher, a nearby community college. Her daughter, Jessie Jackson, 69, asked why a 99-year-old woman would take assertive training. "Because it's important, keeps your mind awake. It's easy to do nothing in life. Then your mind goes to sleep. I can get bored around. People aren't always fair in what they expect of elderly people. I just need to tell them, that's all."

Quote — Dudley Moore says he can take professional criticism in stride but gets vicious about personal attacks, which he can only answer "in an equally primitive fashion" — which is to take a small club and insert it in the nose of the person. "He went on to tell Dennis Channing, who was a large point, was one critic in England. I don't say his name, but it's emblazoned on my mind, and he just sort of misquoted me. Sort of talking stories [from] doubtful sources, and attributing them to me. I hate that sort of thing. I think it's very unkind and deserves a large point in the mouth." Moore thought it over and added, "I hope he's not a large person. — I hope he's a small man, very, very frail."

Some of the dance world's liveliest wits got together to celebrate

## U.S. Takes Lead In Consumption Of Foie Gras

PARIS — The French Center for Foreign Commerce has announced that Americans consumed 94 tons of paté de foie gras in 1981, taking over the unofficial world championship from the Swiss, who consumed a mere 90 tons of the livers of force-fed geese and ducks.

The economic crisis appears to be having little effect on worldwide sales of the product, with exports up a comfortable 18 percent from 492 tons to 583 tons.

For the producers, that meant total foreign sales of 77.3 million francs (\$12.6 million), up from 63.4 million francs in 1980.

Foie gras is undergoing a boom in the United States, according to the producers, going from 54 tons in 1980 to 94 tons last year. Even better are sales to the British, who bought 60 tons in 1981 compared to 28 the previous year.

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